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 -

1395322 ONTARIO LIMITED o/a COLISEUM AUTO SALES

- and -

NITIN (NICK) JAMNADAS PATEL

AGREED STATEMENT OF FACTS AND PENALTY

1395322 Ontario Limited o/a Coliseum Auto Sales and Nitin (Nick) Jamnadas Patel have breached the following:

Section 4 of the Code of Ethics, Regulation 333/08

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

SUMMARY OF AGREEMENT

The parties to this proceeding agree that:

- 1. 1395322 Ontario Limited o/a Coliseum Auto Sales (the "Dealer") was first registered as a motor vehicle dealer in or around February 2000. Nitin Jamnadas Patel ("Patel") was first registered as motor vehicle salesperson in or around January 2002. At all material times, Patel was the sole officer and director of the Dealer.
- 2. In the winter of 2008 and the spring of 2009, OMVIC issued a Dealer Standard publication which highlighted some of the upcoming changes that would take place when the *Motor Vehicle Dealers Act, 2002* (the "Act") came into effect, such as all-in-pricing advertising rules.
- 3. Once the Act came into effect, the following Dealer Standard publications further reminded dealers of their obligations under the Act, such as the new all-in-pricing advertising rules:

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- a. Summer 2010
- b. Spring 2011
- c. Winter 2013
- d. Spring 2013
- e. Winter 2014
- f. Spring 2014
- 4. Furthermore, OMVIC issued the following dealer bulletins which also reminded dealers of their obligations under the Act, such as the new all-in-pricing advertising rules:
 - a. December 2008
 - b. January 2010 (2 separate publications)
 - c. April 2010
 - d. June 2011
 - e. February 2012
 - f. August 2012
 - g. April 2014
- 5. By letter dated January 26, 2010, the Dealer was reminded of their obligations with respect to all inclusive advertising requirements. At this time the Dealer was provided with examples of compliant and non-compliant advertisements.
- 6. On or about August 23, 2010, as a result of advertisements placed by or on behalf of the Dealer, The Dealer pled guilty to 1 count of an advertising offence under section 36 of Regulation 333/08 of the Act.
- 7. By email dated July 4, 2012, the Dealer was reminded of their obligations with respect to all inclusive advertising requirements. At this time the Dealer was advised that his advertisements were not in compliance.
- 8. During an inspection on or about January 31, 2013, a representative met with Patel on behalf of the Dealer. At this time the Dealer was once again reminded of his obligations with respect to all inclusive advertising requirements.
- 9. On or before June 3, 2014, an advertisement was placed by or on behalf of the Dealer for a 2008 Nissan Altima, Stock # 14-388, with a sale price of \$9,950. On or about June 3, 2014, the Dealer sold this vehicle for \$54 over the advertised price. As such the advertisement did not promote an all-inclusive price, contrary to section 36(7) of Regulation 333/08, as well as sections 4 and 9 of the Code of Ethics. The Dealer has subsequently reimbursed this purchaser \$54 plus HST.
- 10. On or before June 3, 2014, an advertisement was placed by or on behalf of the Dealer for a 2008 Ford F-150, Stock # 14-357, with a sale price of \$9,888. On or about June 3, 2014, the Dealer sold this vehicle for \$505 over the advertised price. As such the advertisement did not promote an all-inclusive price, contrary to section 36(7) of Regulation 333/08, as well as sections 4 and 9 of the Code of Ethics. The Dealer has subsequently reimbursed this purchaser \$505 plus HST.
- 11. On or before June 12, 2014, an advertisement was placed by or on behalf of the Dealer for a 2011 Ford Transit Connect, Stock # 14-312, with a sale price of \$15,888. On or about January 3, 2014, the Dealer sold this vehicle for \$1005 over the advertised price.

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By failing to comply with the following regulation under the *Motor Vehicle Dealers Act*, 2002, 333/08:

Advertising

- 36(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 buy 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 Patel have breached the following sections of the Code of Ethics, as set out in Regulation 332/08:

- 4. A registrant shall be clear and truthful in describing the features, benefits and prices connected with the motor vehicles in which the registrant trades and in explaining the products, services, programs and prices connected with those vehicles.
- 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 \$4,000 within 90 days of the Discipline Committee Order.
- 2. Patel agrees to complete the OMVIC certification course ("course"), within 120 days of the date of the Discipline Committee Order. The Dealer will pay all costs associated with this.
- 3. The Dealer agrees to offer all future sales staff the opportunity to complete the course. Current sales staff will be offered the course within 120 days of acceptance of this offer. Future sales staff will be offered the course within 120 days of being retained in this capacity by the Dealer. The Dealer will pay all costs associated with this. It is understood between the parties this clause does not apply to sales staff who have completed the course or who are otherwise required to do so pursuant to the Act.
- 4. The Dealer agrees to comply with the *Motor Vehicle Dealers Act, 2002* and Standards of Business Practice, as may be amended from time to time.

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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.

M.

DATED AT TORONTO THIS 15th DAY OF FEBRUARY, 2015
NITIN JAMNAORE PATEL (please print)
Nitin Jamnadas Patel
(signature) I have the authority to bind the dealership: 1395322 Ontario Limited o/a Coliseum Auto Sales
By signature below the Registrar agrees, acknowledges, understands and consents to the final settlement of this matter by way of this Agreed Statement of Facts and Penalty.
DATED AT TOPONTO THIS DAY OF FEBRUARY, 2015
Carl Compton, Registrar, Motor Vehicle Dealers Act, 2002
Pursuant to Rule 1.07, I accept this Agreed Statement of Facts and Penalty from the Parties identified above: Agreed Statement of Facts and Penalty from the Parties identified above: Agreed Statement of Facts and Penalty from the Parties identified above: Agreed Statement of Facts and Penalty from the Parties identified above: Agreed Statement of Facts and Penalty from the Parties identified above: Agreed Statement of Facts and Penalty from the Parties identified above: Agreed Statement of Facts and Penalty from the Parties identified above: Agreed Statement of Facts and Penalty from the Parties identified above: Agreed Statement of Facts and Penalty from the Parties identified above: Agreed Statement of Facts and Penalty from the Parties identified above: Agreed Statement of Facts and Penalty from the Parties identified above: Agreed Statement of Facts and Penalty from the Parties identified above: Agreed Statement of Facts and Penalty from the Parties identified above: Agreed Statement of Facts and Penalty from the Parties identified above: Agreed Statement of Facts and Penalty from the Parties identified above: Agreed Statement of Facts and Penalty from the Parties identified above: Agreed Statement of Facts and Penalty from the Parties identified above: Agreed Statement of Facts and Penalty from the Parties identified above: Agreed Statement of Facts and Penalty from the Parties identified above: Agreed Statement of Facts and Penalty from the Parties identified above: Agreed Statement of Facts and Penalty from the Parties identified above: Agreed Statement of Facts and Penalty from the Parties identified above: Agreed Statement of Facts and Penalty from the Parties identified above: Agreed Statement of Facts and Penalty from the Parties identified above: Agreed Statement of Facts and Penalty from the Parties identified above: Agreed Statement of Facts and Penalty from the Parties identified above: Agreed Statement of Facts and Penalty from the Parties ide
Catherine Poultney

Chair, Discipline Committee of the Ontario Motor Vehicle Industry Council

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