

George Salem Matti has breached the following:

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

The allegations contained in paragraphs 12 and 13 of the Notice of Complaint (“NOC”) dated March 26, 2024, are hereby withdrawn.

Order:

1. George Matti Motorsports Ltd. o/a George Matti (“the Dealer”) shall pay a fine in the amount of \$3,500 no later than one hundred and eighty (180) calendar days from September 30, 2024.
2. Matti shall successfully complete the MVDA Key Elements course no later than ninety (90) calendar days from September 30, 2024.
3. The Dealer shall offer all current and future sales staff the opportunity to complete the Automotive Certification Course (the “Course”). The Dealer will provide confirmation that current staff have been offered the Course no later than ninety (90) calendar days from the date of the Discipline Committee’s order. Future sales staff will be offered the course within 90 calendar days of being retained in this capacity and this shall remain in effect for a period of one year from the date of the Discipline Committee’s order. The Dealer will incur all costs associated with this.
4. The Dealer and Matti agree to comply with the Motor Vehicle Dealers Act, 2002, its regulations, and the Code of Ethics.

Overview

This matter proceeded on the basis of an Agreed Statement of Facts, dated June 26, 2024, a Joint Submission on Penalty 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. George Matti Motorsports Ltd. o/a George Matti (the “Dealer”) was first registered as a motor vehicle dealer in and around September 2018.
2. George Salem Matti (“Matti”) was first registered as a salesperson in and around September 2018. At all material times, Matti has been a director, the sole salesperson and the Person in Charge of the day-to-day activities of the Dealer.
3. On or about August 29, 2018, Matti executed the conditions of registration on behalf of the Dealer.
4. Per condition 1, the Dealer agreed to comply with all requirements of the Act, Ontario Regulation 333/08 (the “Regulation”), the Code of Ethics and the OMVIC Standards of Business Practice.
5. Condition 11 required the Dealer to maintain all books and records at its registered premises in accordance with the Act and pursuant to section 52 through to and including Section 60 of the Regulation.

6. Condition 17 required the Dealer to complete all trades in motor vehicles in accordance with section 30 of the Act and pursuant to sections 39, 40, 41, 42, and 43 of the Regulation, where applicable.

Prior OMVIC Communications:

7. During an inspection on or about March 2, 2021, a representative of the Registrar discovered certain material fact non-disclosures. As a result of these violations, the Registrar issued a warning letter to the Dealer on or about July 9, 2021, advising the Dealer to adhere to the disclosure requirements outlined in Section 42 of O. Reg 333/08.
8. During an inspection on or about March 3, 2023, a representative of the Registrar discovered violations of the disclosure obligations. On or about April 3, 2023, the Dealer was reminded of its disclosure obligations under Section 42 of O. Reg. 333/08 and Section 5 of the Code of Ethics, O. Reg. 332/08.

Dealer's Contravention of the Code of Ethics:

9. On or about November 23, 2023, a representative of the Registrar attended the Dealer's premises to conduct an inspection of its books and records (the "Inspection"). The following issues of non-compliance were discovered as part of the inspection, as particularized below.

Failure to provide material written disclosure:

10. On or about September 9, 2022, the Dealer sold a 2004 Toyota Corolla (VIN ***811566), with a previous total cost of repairs to fix damage of \$6,738. The Dealer failed to disclose this on the bill of sale. This is contrary to section 42(19) of Regulation 333/08, as well as sections 7(1), 9(2) and 9(3) of the Code of Ethics.

Failure to maintain / provide required records:

11. During the Inspection, it was determined that the Dealer failed to maintain an accurate garage register, as records for some second-hand vehicles bought and sold in August and October 2023, were missing. This is contrary to section 57(1) of Regulation 333/08, as well as sections 7(1) and 9(3) of the Code of Ethics.

Matti's Contravention of the Code of Ethics

12. Matti 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.

It is thereby agreed that the Dealer has contravened the following section of the Code of Ethics, as set out in O. Reg. 332/08:

Compliance

7. (1) A registrant shall ensure that all documents used by the registrant in the course of a trade in a motor vehicle are current and comply with the law.

Professionalism

9. (2) In carrying on a business, a registrant shall act with honesty, integrity and fairness.

It is thereby agreed that Matti has contravened the following section of the Code of Ethics, as set out in O. Reg. 332/08:

Accountability

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.

It is thereby agreed that the Dealer and Matti have contravened the following section of the Code of Ethics, as set out in O. Reg. 332/08:

Professionalism

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.

Decision of the Reviewing Panel

Having reviewed and considered the Agreed Statement of Facts, as well as the additional submissions provided by the Parties, the Reviewing Panel is satisfied that the facts as set out in the Agreed Statement of Facts support the allegations that the Dealer has breached subsections 7(1), 9(2) and 9(3) of the OMVIC Code of Ethics, and Mattie has breached subsections 6(2) and 9(3), as set out in Ontario Regulation 332/08, made under the *Motor Vehicle Dealers Act, 2002*.

The Reviewing Panel also agrees with the Parties' Joint Submission on Penalty. We are satisfied that the proposed penalty is consistent with the public interest and addresses relevant principles on a penalty order including in particular the need for general and specific deterrence.

Ontario Motor Vehicle Industry Council
Discipline Tribunal

Dated: September 30, 2024

A handwritten signature in black ink, appearing to read 'Joe Wade', written over a horizontal line.

Joe Wade, *Discipline Tribunal Chair*

Greg Flude, Public Member
Jon Lemaire, Registrant Member

