


2. On or about December 16, 2008, the Dealer executed terms and conditions of registration, a copy of which are attached hereto as schedule "A". As per condition 6, the Dealer agreed to comply with OMVIC's Code of Ethics and Standards of Business Practice as may be amended from time to time. As per condition 20, the Dealer agreed to disclose in writing on the bill of sale all material facts about the vehicles it sells to its customers, including but not limited to, accidented and repaired and insurance write-off.
3. In the winter of 2008, 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, including enhanced vehicle disclosures to be in writing on the purchase agreement.
4. In or around December 2008, OMVIC issued a bulletin which highlighted some of the upcoming changes that would take place when the *Motor Vehicle Dealers Act, 2002* (the "Act") came into effect, including enhanced vehicle disclosures to be in writing on the purchase agreement.
5. During an inspection dated September 8, 2010, disclosure was discussed in detail with the Dealer.
6. OMVIC issued the following Dealer Standard publications reminding dealers of their obligations to provide consumers with written disclosure of vehicle's history and condition, such as accident repair history:
 - a. Summer 2011
 - b. Summer 2012
 - c. Winter 2013
 - d. Fall 2013
7. Furthermore, OMVIC issued the following dealer bulletins which also reminded dealers of their obligations to provide consumers with written disclosure of vehicle's history and condition, such as accident repair history:
 - a. January 2010
 - b. September 2012
 - c. December 2013

Material Fact Non-Disclosure:

8. On or about December 4, 2013, the Dealer purchased a 2006 Dodge Caravan (VIN 1D4GP24RX6B589640), with the following declarations:
 - a. Vehicle has been declared a total loss by the insurer
 - b. The manufacturers [sic] warranty has been cancelled
 - c. Repair Estimate \$6,362
 - d. Vehicle Ownership is branded: ON-Salvage

On or about December 24, 2013, the Dealer sold this vehicle without providing the purchaser with the required written disclosure of all of A, B and C above. This is contrary sections 42(19), 42(20), 42(21) and 42(25) of Regulation 333/08, as well as sections 7 and 9 of the Code of Ethics. The Dealer has subsequently provided OMVIC with



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confirmation that the purchaser is now fully aware of their vehicle's pertinent accident repair history.

9. On or about December 4, 2013, the Dealer purchased a 2008 Hyundai Sonata (VIN 5NPET46C68H369000), with the following declarations:
- Vehicle has been declared a total loss by the insurer
 - The manufacturers [sic] warranty has been cancelled
 - Repair Estimate \$8,627
 - Vehicle Ownership is branded: ON-Salvage

This vehicle also had an insurance claim in 2010 in the amount of \$4,548. On or about January, 2013, the Dealer sold this vehicle without providing the purchaser with the required written disclosure of A, B and C above, as well as the insurance claim from 2010. This is contrary sections 42(19), 42(20), 42(21) and 42(25) of Regulation 333/08, as well as sections 7 and 9 of the Code of Ethics. The Dealer has subsequently provided OMVIC with confirmation that the purchaser is now fully aware of their vehicle's pertinent accident repair history.

10. On or about December 18, 2013, the Dealer purchased a 2008 Pontiac Torrent (VIN 2CKDL63F266188900). This vehicle had an accident repair history in the amount of \$8,509. On or about February 19, 2014, the Dealer sold this vehicle without disclosing its \$8,509 accident repair history. This is contrary to section 42(19) and 42(25) of Regulation 333/08, as well as sections 7 and 9 of the Code of Ethics. The Dealer has subsequently provided OMVIC with confirmation that the purchaser is now fully aware of their vehicle's pertinent accident repair history.
11. On or about February 25, 2014, the Dealer purchased a 2003 Mazda Tribute (4F2CZ94183KM09608), declared with a Ministry of Transportation brand of salvage. This vehicle also had an accident repair history in the amount of \$4,007 and \$9,318. On or about March 17, 2014, the Dealer sold this vehicle without disclosing the accurate accident repair history dollar amount, as required by section 42(19) and 42(25) of Regulation 333/08, as well as sections 7 and 9 of the Code of Ethics. The Dealer has subsequently provided OMVIC with confirmation that the purchaser is now fully aware of their vehicle's pertinent accident repair history.
12. On or about February 13, 2014, the Dealer purchased a 2009 Mazda B4000 (VIN 4F4ZR47E29PM01633), with the following declarations:
- Vehicle has been declared a total loss by the insurer
 - The manufacturers [sic] warranty has been cancelled
 - Repair Estimate \$12,323

On or about March 26, 2014, the Dealer sold this vehicle without providing the purchaser with the required written disclosure of all of the above. This is contrary sections 42(19), 42(20), 42(21) and 42(25) of Regulation 333/08, as well as sections 7 and 9 of the Code of Ethics. The Dealer has subsequently provided OMVIC with confirmation that the purchaser is now fully aware of their vehicle's pertinent accident repair history.

13. On or about February 6, 2014, the Dealer purchased a 2008 Honda CR-V (VIN 5J6RE48718L815524), with the following declarations:
- Vehicle has been declared a total loss by the insurer
 - The manufacturers [sic] warranty has been cancelled
 - Repair Estimate \$11,005

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On or about May 12, 2014, the Dealer sold this vehicle without providing the purchaser with the required written disclosure of all of the above. This is contrary sections 42(19), 42(20), 42(21) and 42(25) of Regulation 333/08, as well as sections 7 and 9 of the Code of Ethics. The Dealer has subsequently provided OMVIC with confirmation that the purchaser is now fully aware of their vehicle's pertinent accident repair history.

14. On or about February 20, 2014, the Dealer purchased a 2008 Nissan Versa (VIN 3N1BC13E48L377901), with the following declarations:

- a. Vehicle has been declared a total loss by the insurer
- b. The manufacturers [sic] warranty has been cancelled
- c. Repair Estimate \$6,990
- d. Vehicle Ownership is branded: ON-Salvage

On or about May 16, 2014, the Dealer sold this vehicle without providing the purchaser with the required written disclosure of A, B and C from above. This is contrary sections 42(19), 42(20), 42(21) and 42(25) of Regulation 333/08, as well as sections 7 and 9 of the Code of Ethics. The Dealer has subsequently provided OMVIC with confirmation that the purchaser is now fully aware of their vehicle's pertinent accident repair history.

By failing to comply with the following regulations under the *Motor Vehicle Dealers Act, 2002*:

Additional disclosure information in contracts

42. (19) If the total costs of repairs to fix the damage caused to the motor vehicle by an incident exceed \$3,000, a statement to that effect and if the registered motor vehicle dealer knew the total cost, a statement of the total costs.

(20) If the manufacturer's warranty on the motor vehicle was cancelled, a statement to that effect.

(21) If the motor vehicle was declared by an insurer to be a total loss, regardless of whether the vehicle was classified as irreparable or as salvage under section 199.1 of the *Highway Traffic Act*, a statement to that effect.

(25) Any other fact about the motor vehicles that, if disclosed, could reasonably be expected to influence the decision of a reasonable purchaser or lessee to buy or lease the vehicle.

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

7. 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.

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.

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JOINT SUBMISSION ON PENALTY:

1. The Dealer agrees to pay a fine in the amount of \$6,000. \$1,000 will be paid upfront (within 30 days of the date of the date of the Discipline Committee Order) and the remaining balance will be paid within 180 days of the Discipline Committee Order. The fine is payable to the Ontario Motor Vehicle Industry Council.
2. Mohomad agrees to successfully complete the OMVIC certification course, within 90 days of the date of the Discipline Committee Order. The Dealer will incur all costs associated with this.
3. The Dealer agrees to offer all registered salespeople the opportunity to complete the OMVIC certification course, within 90 days of the date of the Discipline Committee Order. The dealer will incur all costs associated with this.
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.

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 Wednesday THIS February DAY OF 18, 2015

Mohomad Fayad
(please print)
Mohomad Fayad

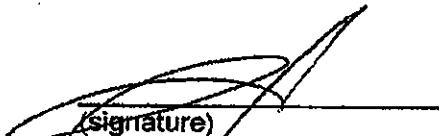
[Signature]
(signature)
Mohomad Fayad

MF
Registrant's initials

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 Wednesday THIS February DAY OF 18, 2015


JAMAL L FAYAD
(please print)
Jamal Fayad


(signature)
Jamal Fayad

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 Wednesday THIS February DAY OF 18, 2015

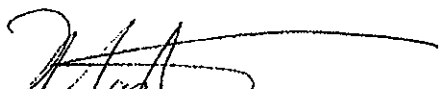
Mohamad Fayad
(please print)


(signature)
I have the authority to bind the dealership:
2178407 Ontario Inc. o/a Fayad Auto Sales

MF
Registrant's Initials

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 Toronto THIS 18th DAY OF February, 2015



Mary Jane South,
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:

DATED AT London THIS 23 DAY OF Feb, 2015



Catherine Poultney
Chair, Discipline Committee of the
Ontario Motor Vehicle Industry Council

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