

DISCIPLINE DECISION

REVIEWING PANEL: Deb Mattina, Public Member
Mike Ball, Registrant Member
Joe Malfara, 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 :

ONTARIO MOTOR VEHICLE INDUSTRY COUNCIL)
)
- and -)
)
USED CAR DEPOT INC.)
)
- and -)
)
JAGATINDER JANDU)
)

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: November 25, 2025

Findings: **Used Car Depot Inc. (the “Dealer”) has breached the following:**

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

Jagatinder Jandu (“Jandu”) has breached the following:

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

Order:

1. The Dealer shall pay a fine in the amount of **\$4,000** no later than 180 calendar days from the date of the Discipline Tribunal's Order.
2. Jandu shall pay a fine in the amount of **\$500** no later than 180 calendar days from the date of the Discipline Tribunal's Order
3. Jandu shall successfully complete the MVDA Key Elements Course no later than 180 calendar days from the date of the Discipline Tribunal's Order.
4. The Dealer shall **offer** to all current and future salespersons, employed by the Dealer, to **fund** their completion of the MVDA Key Elements Course, no later than 180 calendar days from the date of the Discipline Tribunal's Order.

Overview

This matter proceeded on the basis of an Agreed Statement of Facts, dated November 3, 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. In and around December 1995, the Dealer was first registered under the Act as a motor vehicle dealer. It is currently registered.
2. In and around April 1997, Jagatinder Jandu (also known as Jay) was first registered under the Act as a motor vehicle salesperson and he is currently registered. At all material times, Jandu has been the sole salesperson, Officer and Person in Charge of the day-to-day activities of the Dealer.

Dealer's Non-Compliance:

3. On or about January 19, 2024 and February 12, 2024, a representative of the Registrar (the "Inspector") sent an Inspection Notice to the Dealer. The Inspection Notice reminded the Dealer to ensure it had certain records available "on site" for the scheduled inspection, including but not limited to, the Dealer's recent HST Net file filing and/or Notice of Assessment ("NOA").
4. On or about April 5, 2024, the Inspector attended the Dealer's premises and met with Jandu. The Inspector conducted an inspection of the Dealer's books and records; however, the Dealer failed to have any HST Netfile and/or NOAs available for inspection and therefor was unable to demonstrate that its HST remittances were up-to-date. Jandu, on behalf the Dealer, advised the Inspector that the HST records would be provided in 2-3 days.
5. On or about April 11 and 12, 2024, the Inspector reminded the Dealer that the HST records remained outstanding.
6. On or about April 17, 2024, the Inspector spoke with Jandu and again reminded him the Dealer's HST records remained outstanding. During the conversation, Jandu indicated that he contacted CRA and he did not know 'how far behind' he was in filing.

7. On or about April 22, 2024, Jandu left a voicemail message indicating that he was still in contact with CRA to obtain information regarding 'how many' HST remittances still had to be filed.
8. On or about April 30, 2024, the Inspector reminded Jandu, on behalf of the Dealer, to submit the HST records. The Inspector also attached a copy of the Inspection Findings, which included *inter alia* that: the HST records remained outstanding; the Dealer is to operate with financial responsibility regarding its CRA (Canada Revenue Agency) obligations; and the Dealer is required to comply with s. 3(1) of the Code of Ethics.
9. The same day, Jandu on behalf of the Dealer, responded to the Inspector and stated, "In regards to HST I am still working on getting things caught up ASSP" (sic).
10. On or about May 10, 2024, the Inspector again reminded the Dealer that the HST records remained outstanding.
11. On or about May 17, 2024, Jandu on behalf of the Dealer, indicated to the Inspector that "We are working on getting our HST caught up asap."
12. On or about June 11, 2024, a warning letter was issued by the Registrar to the Dealer, to the attention of Jandu. The warning letter reminded the Dealer that it is obligated to assist with an inspection and to produce requested documentation pursuant to s. 15 of the Act. The Registrar again requested that the HST records be submitted within 5 business days, pursuant to s. 14 of the Act.
13. To date, the Dealer has not provided any HST records.
14. The Dealer and Jandu thereby failed to provide documentation that was requested as a part of the inspection, as required, pursuant to s. 15(4) of the Act. The Dealer thereby violated ss. 6(1) and 9(1) of the Code of Ethics.
15. The Dealer and Jandu thereby failed to comply with the Registrar's request for documentation, as required, per s. 14(3) of the Act. The Dealer thereby violated ss. 6(1), and 9(1) of the Code of Ethics.
16. By failing to comply with its HST remittance obligations to the CRA, the Dealer and Jandu have not carried on business in a financially responsible manner. The Dealer thereby violated ss. 3(1), 6(1) and 9(1) of the Code of Ethics.

Jandu's Non-Compliance:

17. As particularized above and as the Person in Charge, Jandu 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 ss. 3(1), 6(2), and 9(1) of the Code of Ethics.
18. As particularized above, the Dealer and Jandu have violated the following section of the Code of Ethics:

Integrity

s. 3(1) A registrant shall be financially responsible in carrying on business.

19. 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.

20. As particularized above, Jandu has 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.

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

Professionalism

s. 9(1) 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

Decision of the Reviewing Panel

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: (1) the Dealer breached sections 3(1), 6(1) and 9(1) of the Code of Ethics and (2) Jandu breached sections 3(1), 6(2) and 9(1) of the Code of Ethics.

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

Reasons for Decision

The matter pertains to a 2024 inspection, wherein the Dealer and Jandu failed to comply with the inspection and failed to provide the HST remittance records. This demonstrated that the HST filings were not up-to-date and demonstrated that the Dealer was acting in a financially irresponsible manner, thereby breaching s. 3(1) of the Code of Ethics. The Panel acknowledges that this is the Dealer's and Jandu's first time before the Discipline Tribunal.

OMVIC submitted that the agreed upon penalty and fine of \$4,500 for a non-compliant inspection and financial responsibility issues, has been agreed to by the parties to dispose of this matter is not so unhinged as to bring the 'administration of justice into disrepute'.

They submit that this settlement ought to be accepted by this Discipline Tribunal and it is in the 'public interest' to accept it and permit both parties to reach finality in this matter.

OMVIC further submits that the Dealer is a small business and its financial limitations were taken into account and that this is the Dealer's and Jandu's first time before the Discipline Tribunal, despite having been in the industry for about 30 years.

OMVIC's position is that this settlement is also within the range of acceptable outcomes and it is not so unhinged from similar penalties, as outlined in the following comparable decisions of this Discipline Tribunal: *OMVIC v. Paycan Motors Ltd. et al*, (2025) and *Registrar, Motor Vehicle Dealers Act, 2002 v. 2410647 Ontario Inc. o/a Four Star Motors et al.*, (2024).

In considering whether to reject a joint submission, the legal test to apply is whether or not it is in the public interest pursuant to the Supreme Court's ruling in *Anthony-Cook*.¹ In that case, the Court said:

Under the public interest test, a trial judge should not depart from a joint submission on sentence unless the proposed sentence would bring the administration of justice into disrepute or would otherwise be contrary to the public interest.²

The "public interest" test was adopted by the Divisional Court in the context of professional regulation in *Bradley*³:

Rejection denotes a submission so unhinged from the circumstances of the offence and the offender that its acceptance would lead reasonable and informed persons, aware of all the relevant circumstances, including the importance of promoting certainty in resolution discussions, to believe that the proper functioning of the justice system had broken down. This is an undeniably high threshold...⁴

It is the Parties' position that the proposed penalty, fine amounts and course requirements for remedial effect, would be in the public interest to be ordered by this Discipline Tribunal. They submit that the Reviewing Panel of the Discipline Tribunal ought not to reject this settlement as it does not bring the administration of justice into disrepute nor is it so unhinged from the circumstances of the offence and the offender. The Panel accepts these submissions.

This case is concerned with an inspection and a failure of the Dealer to remit its HST and as such the violations were discovered by an OMVIC Inspector and were not because of a consumer complaint where actual harm might have occurred. While there was no consumer harm, the Dealer has failed to act in a financially responsible manner.

Regarding mitigating circumstances, the Registrants have admitted to violating the Code of Ethics. This indicates they have taken responsibility for the misconduct, by accepting the penalties, and they ought to take care to avoid future non-compliance.

The parties have reached a settlement to dispose of this disciplinary matter as it has been outstanding for about one year. However, the Dealer had about one year (since the NORD was issued) to bring itself into compliance. Nevertheless, it remains that the Dealer has still failed to remit its HST and failed to comply with the inspection in full. The Parties agreed that the matter can be addressed by the Registrar with other enforcement tools.

OMVIC submits that through diligent efforts on the part of both parties and negotiating in good faith, this settlement has saved the time and expense of proceeding to a contested hearing.

¹ *R. v. Anthony-Cook*, 2016 SCC 43

² *Anthony-Cook*, at para. 32

³ *Bradley v. Ontario College of Teachers*, 2021 ONSC 2303

⁴ *Bradley*, at para. 11

The parties are encouraged to reach a settlement and uphold the Discipline Tribunal's objective of proceeding in a fair, timely and efficient manner pursuant to Rule 1.02 of the Discipline Tribunal Rules of Practice.

In reviewing this case, the Panel encourages the Dealer to come into compliance with their HST remittance obligations. The Panel trusts that the Dealer will continue to work with the Registrar through the previously mentioned other means. Otherwise, if the Dealer continues to charge the consumer HST but fails to remit them as required, the Dealer is simply expanding their profit margin at the expense of the consumer and other taxpayers. This behaviour needs to be remedied rather urgently.

Despite the fact that the Panel has some concern that the Dealer has yet to come into compliance, the Panel nonetheless finds that upon careful consideration of all the factors as noted above and the sentencing principles of specific and general deterrence, maintaining public trust, and the objectives of rehabilitation and remedial action, the proposed settlement is appropriate and is in the public interest particularly in view of the very stringent test set out in *Anthony-Cook*.

Ontario Motor Vehicle Industry Council
Discipline Tribunal

Dated: November 25, 2025



Deb Mattina, Public Member

On behalf of:
Mike Ball, Registrant Member
Jon Malfara, Registrant Member