DISCIPLINE DECISION

REVIEWING PANEL: Sherry Darvish, Discipline Tribunal Chair, Public Member Jon Lemaire, Registrant Paul Eros, Registrant

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 -)
TREMBLAY CHEVROLET BUICK GMC INC.))
- and -)
DANIEL TREMBLAY)
- and -)
MICHAEL PETER TREMBLAY)
- and -)
ROBERT GERVAIS))

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: February 13, 2025

Findings: Tremblay Chevrolet Buick GMC Inc. has breached the following:

• Sections 4(2) and 9(3) of the Code of Ethics, O. Reg. 332/08

Daniel Tremblay has breached the following:

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

Micheal Peter Tremblay has breached the following:

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

Robert Gervais has breached the following:

• Sections 4(1), (2), and 9(3) of the Code of Ethics, O. Reg. 332/08

Order:

- Tremblay Chevrolet Buick GMC Inc. (the "Dealer") shall pay a fine in the amount of \$3,500 no later than <u>ninety (90) calendar days</u> from the date of the Discipline Tribunal's Order.
- 2. Daniel Tremblay ("D. Tremblay") shall pay a fine in the amount of **\$500** no later than <u>ninety (90) calendar days</u> from the date of the Discipline Tribunal's Order.
- 3. Michael Peter Tremblay ("M. Tremblay") shall pay a fine in the amount of **\$500** no later than <u>ninety (90) calendar days</u> from the date of the Discipline Tribunal's Order.
- 4. D. Tremblay shall successfully complete the MVDA Key Elements Course no later than <u>ninety (90) calendar days</u> from the date of the Discipline Tribunal's Order.
- 5. M. Tremblay shall successfully complete the MVDA Key Elements Course no later than <u>ninety (90) calendar days</u> from the date of the Discipline Tribunal's Order.
- 6. Robert Gervais ("Gervais") shall successfully complete the MVDA Key Elements Course no later than <u>ninety (90) calendar days</u> from the date of the Discipline Tribunal's Order.
- 7. The Dealer shall **offer** to all current and future salespersons, employed by the Dealer, to **fund** their completion of the Automotive Certification Course, no later than <u>ninety (90)</u> <u>calendar days</u> from the date of the Discipline Tribunal's Order.

<u>Overview</u>

This matter proceeded on the basis of an Agreed Statement of Facts, dated October 16, 2024, 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. Tremblay Chevrolet Buick GMC Inc. (the "Dealer") was first registered as a motor vehicle dealer in and around February 1983.
- 2. Daniel Tremblay ("D. Tremblay") was first registered as a salesperson in and around March 1983. At all material times, D. Tremblay was an Officer and Person in Charge of the day-to-day activities of the Dealer.
- 3. Michael Peter Tremblay ("M. Tremblay") was first registered as a salesperson in and around March 1993. At all material times, M. Tremblay was a Person in Charge of the day-to-day activities of the Dealer.
- 4. Robert Gervais ("Gervais") was first registered as a salesperson in and around October 1996.

OMVIC Publications:

5. Since the Act was proclaimed in 2010, OMVIC has issued various educational materials, including publications, webinars and guidelines, reminding registrants of their all-in pricing obligations. The dates of said publications are attached hereto as Schedule "A". Educational materials continue to be available on OMVIC's website.

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- 6. On or about July 12, 2023, an OMVIC Representative made inquires about a vehicle at the Dealer's premises, while posing as a member of the public. The OMVIC Representative found non-compliance with all-in pricing obligations pursuant to section 36(70 of O. Reg. 333/08. In particular, there were two fees added above the advertised price: \$449 for a "Global I" fee and the \$10 OMVIC fee.
- 7. On or about February 7, 2024, the Registrar issued a Notice of Complaint against the Dealer, D. Tremblay, and M. Tremblay, based on the incident of non-compliance mentioned above.
- 8. On or about February 9, 2024, the Dealer responded to the Notice of Complaint, indicating that the Dealer would take steps to ensure its advertised vehicle prices are compliant.

Dealer's Current Non-Compliance:

- On or before June 13, 2024, the Dealer published an advertisement for a red 2021 Chevrolet Equinox LT, stock# 12511B (VIN# *154599) with an advertised price of \$24,995.
- 10. On or about the same date, an OMVIC Representative made inquiries about the vehicle, while posing as a member of the public.
- 11. Gervais, acting on behalf of the Dealer, provided the OMVIC Representative with a worksheet for the vehicle. The following additional charges were added to the price of the vehicle:

- a. "Globali.com" fee of \$469
- b. OMVIC fee of \$12.50
- 12. Gervais also advised the OMVIC Representative that the "Globali.com" fee was mandatory.
- 13. As such, the Dealer's advertised vehicle price was not all-inclusive. This is contrary to section 36(7) of O. Reg. 333/08, as well as sections 4(2) and 9(3) of the Code of Ethics.

D. Tremblay's Non-Compliance:

14. D. Tremblay 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.

M. Tremblay's Non-Compliance:

15. M. Tremblay 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.

Gervais's Non-Compliance:

- 16. In regards to the above-noted red 2021 Chevrolet Equinox LT, Gervais failed to describe and/or represent additional fees above the advertised price in a clear, truthful and/or legal manner and thereby violated sections 4(1) and (2) of the Code of Ethics. Gervais also 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.
- 17. As particularized above, the Dealer and Gervais have violated the following section of the Code of Ethics:

Disclosure and marketing

s. 4(2) 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.

18. As particularized above, the Dealer, D. Tremblay, M. Tremblay, and Gervais have violated the following section of the Code of Ethics:

Professionalism

s. 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.

19. As particularized above, D. Tremblay, M. Tremblay, and Gervais have 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.

20. As particularized above, Gervais has violated the following section of the Code of Ethics:

Disclosure and marketing

s. 4(1) 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.

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 has breached subsections 4(2) and 9(3) of the OMVIC Code of Ethics; (2) D. Tremblay has breached subsections 6(2) and 9(3) of the OMVIC Code of Ethics, (3) M. Tremblay has breached subsections 6(2) and 9(3) of the OMVIC Code of Ethics, (4) Gervais has breached subsections 4(1) and (2), 6(2) and 9(3) of the OMVIC Code of Ethics.

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

Reasons for Decision

The Reviewing Panel received and considered comprehensive written materials from the parties and was left satisfied that the proposed resolution has no risk of being contrary to the public interest. The outcome is clearly connected to the admitted breaches of the Code of Ethics and consistent with other outcomes ordered in this Tribunal in similar cases. In such circumstances, disposition under Rule 1.07 is appropriate and ordered accordingly.

> Ontario Motor Vehicle Industry Council Discipline Tribunal

Dated: February 13, 2025

S. Darvish

Sherry Darvish, Discipline Tribunal Chair, Public member On behalf of:

Jon Lemaire, Registrant Paul Eros, Registrant