



**Citation: Marco Sinagoga & 7631901 Canada Corp. o/a Montero Auto Center v. Registrar, *Motor Vehicle Dealers Act, 2002*, 2026 ONLAT MVDA/18347**

**Licence Appeal Tribunal File Number: 18347/MVDA**

In the matter of an appeal from a Notice of Proposal to Revoke Registration under section 9 of the *Motor Vehicle Dealers Act, 2002*, c. 30, Sch.B (the "Act"), and an Immediate Temporary Suspension Order issued under section 10 of the *Act*.

**Between:**

**Marco Sinagoga & 7631901 Canada Corp. o/a Montero Auto  
Center**

**Appellants**

and

**Registrar, *Motor Vehicle Dealers Act, 2002***

**Respondent**

**DECISION and ORDER**

**VICE-CHAIR**

**Kevin Kovalchuk**

**APPEARANCES:**

For the Appellant:

Marco Sinagoga, Appellant  
Jonathan Gross, Counsel

For the Respondent:

Maria Correia, Counsel

**Held by Videoconference: March 11, 2026**

## OVERVIEW

- [1] On February 24, 2026, the Registrar under the *Act* (the “respondent”) issued a Notice of Proposal (“NOP”) to Revoke Registration under s. 9 of the *Motor Vehicle Dealers Act, 2002*, S.O. 2002, c.30 Sch.B (the “*Act*”) and an immediate Temporary Suspension Order (“ITSO”) under section 10 of the *Act* to the appellants 7631901 Canada Corp. o/a Montero Auto Center (“Montero Auto”) with respect to its registration as a motor vehicle dealer, and to Marco Sinagoga (“Sinagoga”), in respect of his registration as a motor vehicle salesperson.
- [2] The appellants appealed the NOP to the Licence Appeal Tribunal (“the Tribunal”) on March 9, 2026.
- [3] Sinagoga is a director, owner and General manager of Montero Auto.
- [4] Under section 10(3) of the *Act*, an ITSO expires 15 days after the Tribunal receives a written request for a hearing, unless the Tribunal extends the time of expiration until the hearing is concluded. Subsection 10(3)(b) stipulates that the Tribunal may extend the expiration time of an ITSO if a hearing on the associated NOP has been commenced within the 15 -day period. Only then would the Tribunal have the authority to order an extension of the ITSO until the hearing is concluded.
- [5] The evidence presented for the purposes of the extension of the ITSO is not automatically evidence for the purposes of the hearing of the NOP appeal and will have to be presented again in its entirety should the hearing of the NOP appeal proceed. Further, since determinations I must make with respect to the ITSO extension are to be based on an incomplete presentation of the evidence, my factual determinations are not binding on the adjudicator who conducts the NOP appeal.

## ISSUE

- [6] The issue to be determined is:
  - i. Whether the expiry date of the ITSO on the appellants’ registrations should be extended until the conclusion of the hearing.

## RESULT

- [7] The expiry date of the ITSO on the appellants’ registrations is extended until the conclusion of the hearing. The hearing is adjourned and will be resumed at a

future date to be determined by the Tribunal. A case conference will be scheduled by the Tribunal.

## **ANALYSIS**

### ***Should the ITSO be extended until the hearing for the NOP is concluded?***

- [8] The Registrar bears the onus to establish that it is in the public interest that the ITSO be extended until the hearing for the NOP is concluded. To satisfy its onus, the Registrar must establish that the conduct on which it relies occurred and forms a reasonable basis for the NOP and that the nature of the conduct and the circumstances are such that it is a matter of public interest that the registration remain suspended pending the outcome of the NOP hearing.
- [9] The respondent requests an extension of the ITSO until the hearing is concluded. It submits that the appellant presents an ongoing risk to the public.
- [10] The appellants oppose the extension of the ITSO and ask instead that the Tribunal impose conditions on the appellants' registrations.
- [11] At the hearing the respondent raised three broad issues which it says establish that it is in the public interest that the ITSO remain in effect until the conclusion of the hearing of the appeal:
- a. The respondent alleges that the appellants agreed to sell a 2018 RAM for \$19,888 before taxes plus an extended warranty to a consumer, LB. Later the appellant changed the selling price to \$21,800. In addition, the respondent alleges that the vehicle has serious issues with the engine resulting in significant out of pocket expenses to the consumer.
  - b. The respondent alleges that the appellants sold a 2023 Audi Q8 (VIN \*\*\*9395) to consumer I and took a \$15,000 downpayment deposit toward the purchase price of the vehicle. The appellant did not hold the downpayment in a trust account.
  - c. The respondent alleges that the appellants failed to comply with requests for information from the Registrar.

### ***The 2018 Ram***

- [12] Marnie Barnes testified that her daughter Lacey saw an ad for a 2028 Ram with a dealer price of \$19,888. She was shown page 330 in exhibit 2 and she confirmed that this was the vehicle her daughter wished to purchase. The purchase price in the ad was \$19,888. Her evidence was that they contacted the appellant Sinagoga and agreed to purchase the vehicle for \$19,888 plus tax. They did not attend the dealer but completed the transaction remotely as they lived in Sault Ste. Marie Ontario. However, upon review of the Bill of Sale, Marnie Barnes noticed that the selling price was \$21,888. In addition, the Bill of Sale had a \$1,999 charge for rustproofing and undercoating which Ms. Barnes testified they never agreed to. A review of the Bill of Sale shows a purchase price of \$21,888 as well as a \$1,999 charge for rustproofing and that it was signed by a Lacey Barnes.
- [13] Marnie Barnes testified that the vehicle was delivered at 11:00 PM on November 15, 2024, to the Sault Ste Marie area and it quickly became apparent that the vehicle's heater was not working. She texted Sinagoga the next day to tell him that the heat doesn't work and that it takes about 15 minutes to get to a slight warm temperature. Sinagoga replied that it could just be a thermostat and that he would order the part and have it sent to her.
- [14] On December 5, 2024, Marnie Barnes texted Sinagoga that they got the thermostat changed and a leak in the hose or the rad was found. Sinagoga replied that normally he would tell her to bring it to his mechanic to have it addressed but because of the distance between them to send him a quote/estimate from a reputable shop and he would have his mechanic and accounting department review it and then help her out with it.
- [15] On December 13, 2024, Marnie Barnes texted Sinagoga that the repair would be \$1500. His response was that their legal responsibility /obligation is solely the safety certification on the date of sale which they did through a separate mechanical facility they outsource work to. He added that sometimes maintenance arises later and sometimes it comes up early. His evidence was that he offered to help by paying something reasonable in between \$100 and \$300.
- [16] Marnie Barnes sent Sinagoga a quote for \$1,698.77 to replace the thermostat, and replace the spark plugs and boots, from Reliable Automotive & Industrial Radiator Inc. ("Reliable") in Sault Ste. Marie, Ontario dated December 13, 2024. In addition, Reliable advised Ms. Barnes that the thermostat was missing from the vehicle.

- [17] The vehicle was then towed to Superior Chrysler Dodge Jeep in Sault Ste. Marie on January 23, 2025, to inspect the vehicle for overheating. Superior Auto found that coolant was getting into cylinder 4 indicating a head gasket leak. Superior found that on acceleration there was coolant coming out of the tail pipes indicating a cylinder head failure. The inspection noted “suspect repairs needed were preexisting to the customer owning it.” Marnie Barnes paid \$280.22 for the inspection.
- [18] Ms. Barnes testified that the vehicle could not be kept at Superior because they had no room on their lot due to there being a great deal of snow on the lot. As a result, the vehicle was towed back to Ms. Barnes’ home.
- [19] On March 25, 2025, the vehicle was towed back to Superior where a used engine was installed.
- [20] Ms. Barnes testified that she spent \$17,000 to repair the vehicle. Of that amount she was reimbursed \$4,999 from the warranty provider and \$2,500 from the dealer. As a result, she paid the remaining repair costs of approximately \$10,159.
- [21] The appellant Sinagoga testified that the dealership assisted Ms. Barnes with filing the warranty claim. He also testified that no dealer guarantee comes with the vehicle when it is purchased.

#### The 2023 Audi Q8

- [22] Alexandru Iodarche (“Iodarche”) testified that on October 16, 2025, he agreed to purchase a 2023 Audi Q8 from the appellant and provided the appellant with a deposit of \$15,000. Financing for the vehicle was arranged by the appellant through the CIBC. He testified that the vehicle was to be delivered to him within 10 days. Iodarche made his first payment on the vehicle on November 15, 2025, despite the fact that he did not yet have the car.
- [23] When the vehicle was not delivered within 10 days Mr. Iodarche told the appellant he wanted to cancel the deal. The appellant gave him a cheque dated December 4, 2025, for \$15,000 drawn on the account of 1943255 Ontario Inc. at the Bank of Nova Scotia. The cheque was marked “deposit refund”. Mr. Iodarche testified that he deposited the cheque at his bank however he subsequently received a Returned Item Advice advising him that payment has been stopped on the cheque.
- [24] Mr. Iodarche testified that the bank told him the cheque was stopped by the dealership. When he asked Sinagoga why the dealership stopped the cheque he was told that the dealership did not stop the cheque. Sinagoga provided him with

another cheque for \$15,000 from the Toronto Dominion Bank dated December 8, 2025. The name of the purchaser on the cheque was Aida Hadavi. Sinagoga confirmed in an email to Iodarche that Aida Hadavi is Sinagoga's wife.

- [25] On December 18, 2025, the CIBC wrote to Iodarche advising that the loan was paid in full.
- [26] The evidence of Sinagoga was that the loan Iodarche took out with CIBC was fully paid out, by the dealership.
- [27] Iodarche testified that later, when he tried to take out another loan with CIBC, they told him he was red flagged because he had taken out a loan and paid it off within three months, as a result of which, they didn't want to work with him.
- [28] Sinagoga testified that in the future he would not take a deposit over \$10,000 without having a trust account. He also admitted that he did not have a trust account at the time of this transaction.
- [29] Sinagoga also testified that the deal with Iodarche was delayed because when they signed the deal the Audi was not in his possession but, was to be obtained from another dealer.
- [30] Sinagoga further testified that, in hindsight he wished he had the vehicle in his possession when he signed the deal so that he could deliver it straight to the customer.

***Failure to comply with requests form the Registrar.***

- [31] Scott Virtue ("Virtue") the Manager, of Complaints and Inquiries Department gave evidence. He testified that on January 26, 2026, he sent a letter to Sinagoga with respect to a complaint received from Iodarche requesting certain information about the transaction involving the 2023 Audi. The letter requested a response by no later than January 30, 2026.
- [32] On February 2, 2026, Virtue again wrote to Sinagoga providing a copy of his letter of January 26, 2026, to which he had not yet provided a response. Virtue provided a deadline of February 5, 2026, for a response.
- [33] On February 5, 2026, Virtue received a response from Sinagoga answering some of Virtue's questions. Sinagoga noted that at the time of the transaction Montero Auto center did not maintain a separate trust account.

[34] Virtue testified that he received the balance of the requested documents on March 10, 2025.

***Should the ITSO be extended pending the conclusion of the hearing for the NOP.***

[35] The respondent submits that with respect to the 2018 Ram the appellant breached section 42(13)(i) and (iv) of Ontario Regulation 333/08 which reads that a motor vehicle dealer must disclose to customers “If the motor vehicle requires repair in any of the following, i) the engine, transmission or power train and iv) the electrical system.

[36] The respondent submits that this information was not provided to the consumer as a result of which the consumer had significant out of pocket expenses. The respondent further submits that this failure to disclose speaks to a lack of transparency in the appellant’s business practices.

[37] The appellant submits that the Ram vehicle was driven from North York to Sault Ste. Marie without needing repairs. The appellant further submits that without cross examination of the mechanic from Superior the appellant is unable to ascertain how the mechanic reached the conclusion that the vehicle required the engine to be replaced.

[38] The appellant also submitted that the actual consumer Lacey Barnes did not testify but rather her mother, Marnie Barnes did and that much of her evidence was hearsay. The appellant asks that I take this into account when weighing the testimony of Marnie Barnes.

[39] The appellant further submits that there is no evidence that the price of the Ram would be lower than the price on the Bill of Sale.

[40] I note that the Bill of Sale dated November 11, 2024, was signed by Lacey Barnes (as confirmed by the evidence of her mother) showing a purchase price of \$21,888 as well as rustproofing and undercoating.

[41] I place little weight on the evidence of Marnie Barnes that the price agreed to for the Ram was \$19,888 given the price on the Bill of Sale that was signed by Lacey Barnes.

[42] With respect to the 2023 Audi the respondent submits that the appellant was in breach of section 58(4) of Ontario Regulation 333/08 which requires that if a registered motor vehicle dealer receives from a purchaser of a motor vehicle a

deposit that is greater than \$10,000 the dealer shall hold the entire deposit in trust until the purchase is concluded.

- [43] Sinagoga testified that he did not have a trust account at the time of the transaction which is required by section 58(4) of Regulation 333/08.
- [44] In addition, the respondent submitted that the lodarche suffered some harm with his bank as a result of the cancelled car loan. This was confirmed by lodarche in his testimony, and I accept his evidence.
- [45] With respect to the failure to comply with requests from the Registrar, the respondent submitted that the failure of the appellant to fully comply with the requests of the Registrar undermines the purpose of the *Act* and the regulations.
- [46] The appellant submits that it was always the appellant's intention to comply and that all the documents requested by the Registrar were supplied once counsel was retained.

***Should the ITSO be set aside with conditions.***

- [47] The appellant submits that instead of extending the ITSO, the ITSO should be set aside and that the following conditions should be imposed until the NOP hearing is concluded.
1. The appellant will increase his existing line of credit of \$20,000 by a further \$20,000 within a month of the Tribunal's order.
  2. The appellant will open a trust account within 30 days of the Tribunal's order or ensure that one is open before a deposit is taken.
  3. The appellant will not sell or agree to sell a vehicle until legal ownership has been taken.
  4. The appellant will take responsibility for any repairs for 90 days after delivery of a vehicle over and above any warrant that comes with the vehicle.
- [48] The respondent submits that the proposed terms do not address the Registrars concerns that the appellant continues to pose a risk to the public.

[49] The respondent submits that the suspension should remain in place until the hearing is concluded.

**Conclusion**

[50] I find that the alleged breaches of Regulation 333/08 set out above as well as the evidence of the failure to respond to the Registrar's requests in a timely fashion provide support for the respondent's position that the allegations in the NOP have a reasonable basis and that the nature of the conduct and the circumstances are such that it is a matter of public interest that the appellants' registrations remain suspended pending the outcome of the NOP hearing.

[51] With respect to the appellants submissions that the ITSO be set aside with conditions imposed, I refer to section 10(3) of the *Act* that states;

- (3) if a hearing is requested under section 9,
  - (a) the order expires 15 days after the written request for a hearing is received by the Tribunal; or
  - (b) the Tribunal may extend the time of expiration until the hearing is concluded, if a hearing is commenced within the 15-day period referred to in clause (a).

[52] In contrast, section 9(5) of the *Act*, referring to the NOP appeal itself states: If a hearing is requested, the Tribunal shall hold the hearing and may by order direct the registrar to carry out the registrar's proposal or substitute its opinion for that of the registrar and the tribunal may attach conditions to its order or to a registration.

[53] I find that section 10(3) of the *Act* does not provide the Tribunal with the authority to attach terms and conditions to the registrations at this stage of the process unlike section 9(5) which provides the Tribunal with the authority to attach terms and conditions after holding a hearing.

**ORDER**

[54] The ITSO is extended pursuant to section 10(3) of the *Act* until the conclusion of the hearing.

[55] The hearing is adjourned and will proceed with a case conference to be scheduled by the Tribunal.

- [56] The Tribunal will issue a Notice of Case Conference to the parties to confirm the specific date and time.
- [57] I am not seized of this matter.

*Released: March 20, 2026*



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**Kevin Kovalchuk**  
Vice-Chair