DISCIPLINE DECISION

IN THE MATTER OF A DISCIPLINE HEARING HELD PURSUANT TO THE MOTOR VEHICLE DEALERS ACT 2002, S.O. 2002, C.30, Sch. B

BETWEEN:

REGISTRAR, MOTOR VEHICLE DEALERS ACT, 2002

- AND -

2387798 ONTARIO INC o/a BARRHAVEN HONDA

- and -

VIKRUM DILAWRI

Pursuant to Rule 1.07 of the Rules of Practice before the Discipline Committee and the Appeals Committee, I, the Chair of the Discipline Committee, have reviewed and considered the written Agreed Statement of Facts and Joint Submission on Penalty together with both Parties' waiver of a Hearing to this Proceeding and provide the following Order:

Date of Decision:

August 26, 2019

Findings:

Breach of Sections 6 and 9 of the Code of Ethics

Order:

- 1. The Dealer is ordered to pay a fine in the amount of \$2,500 no later than **November 29**, **2019**.
- Dilawri is ordered to pay a fine in the amount of \$2,500 no later than <u>November 29, 2019</u>.
- 3. The Dealer and Dilawri agree to comply with the Act and Standards of Business Practice, as may be amended from time to time.

Written Reasons:

Reasons for Decision

Introduction

This matter proceeded on the basis of an Agreed Statement of Facts, Joint Submission on Penalty and the Parties' Waiver of Hearing, pursuant to Rule 1.07 of the Rules of Practice before the Discipline Committee and the Appeals Committee.

Agreed Statement of Facts

The parties to this proceeding agree that:

- 2387798 Ontario Inc o/a Barrhaven Honda (the "Dealer") was first registered as a motor vehicle dealer in around October 2017. Vikrum Dilawri ("Dilawri") was first registered as a salesperson in around July 1990. At all material times, Dilawri was the Director, as well as the Person in Charge, of the Dealer.
- 2. On about February 27, 2018, the Registrar issued a Notice of Complaint ("Notice") against the Dealer and Dilawri.
- 3. On about August 20, 2018, the Discipline Committee issued an Order against the Dealer and Dilawri, pursuant to a negotiated resolution of the above referenced Notice.
- 4. As per conditions 1 and 2 of the Order, the Dealer and Dilawri were to pay a total of \$650 in fines no later than September 30, 2018.
- 5. As per condition 3 of the Order, Dilawri was required to successfully complete the Automotive Certification course (the "course") no later than October 15, 2018.
- As per condition 4 of the Order, the Dealer was to offer all sales staff the opportunity to complete the course, at the Dealer's expense. The Dealer was to fulfill this condition no later than October 15, 2018.
- 7. On August 20, 2018, Dilawri was sent a copy of the Order by email. On this same date, the Dealer was sent a copy of the Order, by courier.
- 8. By letter dated October 15, 2018, the Dealer and Dilawri were requested to provide the following to the Registrar's office:
 - a. The \$650 in outstanding fines.
 - Proof that Dilawri had successfully completed the course.
 - c. Written acknowledgement from current sales staff that they had been offered the opportunity to complete the course, at the Dealer's expense.

- 9. By letter dated November 8, 2018, the Dealer and Dilawri were requested to provide the following to the Registrar's office:
 - a. The \$650 in outstanding fines.
 - b. Proof that Dilawri had successfully completed the course.
 - c. Written acknowledgement from current sales staff that they had been offered the opportunity to complete the course, at the Dealer's expense.
- 10. On about November 21, 2018, the office of the Registrar received the \$650 in outstanding fines from the Dealer.
- 11. By letter dated December 20, 2018, the Dealer and Dilawri were requested to provide the following to the Registrar's office:
 - a. Proof that Dilawri had successfully completed the course.
 - b. Written acknowledgement from current sales staff that they had been offered the opportunity to complete the course, at the Dealer's expense.
- 12. Dilawri did not complete the Automotive Certification course until February 22, 2019, which was four months after he was required to have completed it. Condition 3 of the Order mandated that Dilawri successfully complete this court by no later than October 15, 2018, thus this condition was not fulfilled.
- 13. The Dealer did not provide the office of the Registrar with proof that the Dealer had offered its current sales staff the opportunity to complete the course at the Dealer's expense until April 4, 2019. As condition 4 of the Order required that this task be completed no later than October 15, 2018, this condition was not fulfilled.
- 14. In failing to fulfill the Order, the Dealer and Dilawri breached sections 9(1) and 9(2) of the Code of Ethics.
- 15. Moreover, Dilawri personally breached section 6(2) of the Code of Ethics.

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

9. Professionalism

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

It is thereby agreed that Dilawri has breached the following section of the Code of Ethics, as set out in regulation 332/08:

6. 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.

Joint Submission on Penalty

- 1. The Dealer agrees to pay a fine in the amount of \$2,500 no later than **November 29**, **2019**.
- Dilawri agrees to pay a fine in the amount of \$2,500 no later than November 29, 2019.
- 3. The Dealer and Dilawri agree to comply with the Act and Standards of Business Practice, as may be amended from time to time.

Decision of the Chair

Having reviewed and considered the Agreed Statement of Facts, the Chair of the Discipline Committee hereby concludes that the Dealer breached subsections 6 and 9 of the OMVIC Code of Ethics, as set out in Ontario Regulation 332/08, made under the *Motor Vehicle Dealers Act, 2002*. The Chair of the Discipline Committee also agrees with the Parties' Joint Submission on Penalty and, accordingly, makes the following Order:

- The Dealer is ordered to pay a fine in the amount of \$2,500 no later than <u>November 29, 2019</u>.
- 2. Dilawri is ordered to pay a fine in the amount of \$2,500 no later than **November 29**, **2019**.
- 3. The Dealer and Dilawri agree to comply with the Act and Standards of Business Practice, as may be amended from time to time.

Ontario Motor Vehicle Industry Council
Discipline Committee

Paul Burroughs, Chair