

DISCIPLINE DECISION

REVIEWING PANEL: Greg Flude, Public Member
Jon Lemaire Registrant Member
Paul Repar, 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 -)
1032447 ONTARIO LIMITED)
O/A AUTO LINE TOYOTA)
- and -)
PETER COUTU)
- and -)
RACHEL BALAK)
)

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: April 2, 2026

Findings: **1032447 Ontario Limited. o/a Auto Line Toyota (the “Dealer”) has breached the following:**

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

Peter Coutu (“Coutu”) has breached the following:

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

Rachel Balak (“Balak”) has breached the following:

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

Order:

1. The Dealer shall pay a fine in the amount of **\$3,500** no later than ninety (90) calendar days from the date of the Discipline Tribunal’s Order.
2. 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 ninety (90) calendar days from the date of the Discipline Tribunal’s Order.
3. Coutu shall successfully complete the MVDA Key Elements Course no later than ninety (90) calendar days from the date of the Discipline Tribunal’s Order.
4. Balak shall successfully complete the MVDA Key Elements Course no later than ninety (90) calendar days from the date of the Discipline Tribunal’s Order

Overview

1. This matter proceeded on the basis of an Agreed Statement of Facts, dated February 5, 2026, 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. 1032447 Ontario Limited. o/a Auto Line Toyota (the “Dealer”) has been registered as a motor vehicle dealer under the Act since around September 1993.
2. Coutu has been registered as a salesperson under the Act in and around August 1983. At all material times, Coutu has been the Director and Person in Charge of the day-to-day activities of the Dealer. As the Person in Charge, Coutu was assigned primary responsibility for and agreed to be accountable for compliance with the Act and Regulations thereunder.
3. Balak was first registered as a salesperson under the Act in and around February 2018. Since then, Balak has so been registered with the Dealer.

Direct Correspondence with Dealer:

4. As a result of the findings during a mystery shop conducted on or about June 27, 2024, the Registrar issued a warning letter to the Dealer on July 22, 2024, reminding the Dealer to comply with its all-in pricing obligations under the Act and related Regulations.

Prior Notice of Complaint:

5. On or about July 9, 2015, the Registrar issued a Notice of Complaint to the Dealer and the Person in Charge, Peter Coutu, alleging, *inter alia*, a failure to comply with all-in pricing obligations pursuant to section 36 of O. Reg 333/08, as well as contraventions of the Code of Ethics.
6. On or about October 13, 2015, the Discipline Tribunal (former Discipline Committee), accepted the Registrar and the Dealer's Joint Submission on Penalty and ordered the Dealer to pay a fine in the amount of \$1,500 and to offer all current and future staff the opportunity to successfully complete the Automotive Certification course, and to comply with the Act and Standards of Business Practice.

Dealer's Non-Compliance:

7. On or before October 20, 2025, the Dealer published an advertisement for a 2024 Toyota Grand Highlander, (VIN# ***005734), with an advertised price of \$49,888.
8. On October 21, 2025, a representative of OMVIC (the "Representative") made inquiries about the vehicle, while posing as a member of the public (also known as a 'mystery shop').
9. Balak, acting on behalf of the Dealer, informed the Representative that the following fees would be added to the vehicle's advertised price:
 - a. \$599 Dealer fee
 - b. \$22 OMVIC fee
10. The additional \$599 Dealer fee and \$22 OMVIC fee, result in a total of \$621, which was added above the advertised vehicle price.
11. As a result, 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.

Coutu's Non-Compliance:

12. Coutu, as a Person in Charge, 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.

Balak's Non-Compliance:

13. In regard to the above-noted vehicle, Balak engaged in the trade of a vehicle in a manner that is contrary to sections 4(2) and 9(3) of the Code of Ethics and also caused the Dealer to contravene the Act, its regulations, and the Code of Ethics and thus personally contravened sections 6(2) and 9(3) of the Code of Ethics.

Code of Ethics Violations

14. As particularized above, the Dealer has 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.

15. As particularized above, the Dealer, Coutu and Balak have violated the following section of the Code of Ethics:

Professionalism

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.

16. As particularized above, Coutu and Balak 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.

Decision of the Reviewing Panel

2. 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:

- a. the Dealer has breached Sections 4(2) and 9(3) of the Code of Ethics,
- b. Peter Coutu has breached Sections 6(2) and 9(3) of the Code of Ethics, and
- c. Rachel Balak has breached Sections 6(2) and 9(3) of the Code of Ethics.

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

Reasons for Decision

4. In reviewing the joint submission on penalty, the Reviewing Panel must determine if the proposed resolution is in the public interest or if it is so unhinged from the circumstances of the impugned behaviour that a reasonable person would believe that the justice system has broken down. In doing this analysis, the Reviewing Panel must bear in mind the aims of levying an administrative penalty: specific deterrence of the offender, general deterrence for the motor vehicle sales industry, and rehabilitation and remediation for these particular offenders. Dealing with the last of these first, there is an education requirement for each of the personal applicants that, it is hoped, will educate and encourage regulatory compliance in the future.

5. In considering the monetary penalty, the Reviewing Panel notes the following:

Aggravating Factors

The Dealer had been counselled by OMVIC on all-in pricing in July 2024, OMVIC has published numerous bulletins on all-in pricing, the Dealer and has previously been the subject of a proceeding before the Discipline Tribunal for breach of the all-in pricing regulations.

There is one impugned trade at issue involving a breach of the all-in pricing regulations.

Mitigating Factors

The Applicants have accepted responsibility for their actions as evidenced by entering into an agreed statement of facts and joint submission on penalty.

Other Factors

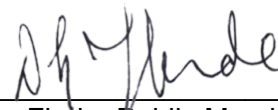
The Reviewing Panel does not accept the fact that no consumer was harmed by this interaction as a mitigating factor. It was, as far as the Dealer was concerned on the day, a consumer transaction. The Dealer cannot use the fact that in this instance it was a mystery shop to suggest its breach of the Code of Ethics was somehow less culpable than a sale to actual consumer.

6. Having considered all of the factors, the Reviewing Panel finds that the proposed penalty is in line with other penalties imposed by the Discipline Tribunal for similar behaviour. The amount is sufficient to signal to the industry that breaches of the regulations are serious offences.

7. The Panel is satisfied that the agreed upon penalty satisfies the sentencing principles of specific and general deterrence, maintains public trust, meets the objectives of rehabilitation and remedial action, and that the proposed penalty is in the public interest. The parties are thanked for working towards a resolution short of the need for a hearing.

Dated: April 2, 2026

Ontario Motor Vehicle Industry Council
Discipline Tribunal



Greg Flude, Public Member

On behalf of:
Jon Lemaire, Registrant Member
Paul Repar, Registrant Member