



Citation: Carshops Inc. o/a Firmauto et al. v. Registrar, *Motor Vehicle Dealers Act*  
ONLAT 14873/MVDA

File Number:14873/MVDA

An appeal from a Notice of Proposal by the Registrar, *Motor Vehicle Dealers Act*, 2002,  
S.O. c. 30 Sch. B to revoke registration.

**Between:**

Hala Kharouba, Baker Qahwaji and Carshops Inc. o/a Firmauto

Appellants

and

Registrar, *Motor Vehicle Dealers Act*, 2002

Respondent

**CONSENT ORDER**

**ADJUDICATOR:**

**Jeffery Campbell, Vice-Chair**

**Date:**

**November 9, 2023**

## BACKGROUND

- [1] Carshops o/a Firmato (“Carshops”) appealed the Notice of Proposal to Refuse Registration as a motor vehicle dealer. Hala Kharouba (“Kharouba”) and Baker Qahwaji (“Qahwaji”) appealed the Notice of Proposal to Revoke the Registration as motor vehicle salespersons. The Notice of Proposal for the above issued on April 17, 2023 by the Registrar, *Motor Vehicle Dealers Act, 2002* (the “respondent”) under the *Motor Vehicle Dealers Act, 2002*, C. 30, Sched. B (the “Act”).
- [2] The grounds in the NOP are that the Kharouba’s and Qahwaji’s past conduct as well as Qahwaji’s breach of conditions for registration are inconsistent with the intention and objective of the Act, and therefore warrants revocation of the appellants’ registrations as a motor vehicle salespersons under the Act and warrants Carshops’ disentanglement to registration under the Act.
- [3] The parties advised the Tribunal that they had resolved the issues in dispute and both parties have consent to the continued registration of the Kharouba and Qahwaji as salespersons under the Act and the registration of Carshops as a motor vehicle dealer under the Act on the terms and conditions set out in Terms and Conditions between the Kharouba (signed November 3, 2023) and the Registrar (signed November 5, 2023); and the Terms and Conditions between Qahwaji and Carshops (signed November 8, 2023) and the Registrar (signed November 8, 2023). The two Terms and Conditions shall constitute Schedule A.
- [4] Further, both parties confirmed that pursuant to section 4.1 of the *Statutory Powers Procedure Act*, R.S.O. 1990, c. S 2 (the “SPPA”), both parties waive the requirements of a hearing and consent to an Order of the Tribunal to continue the appellants’ registrations on the terms and conditions set out on Schedule A. A copy of the agreements signed by all parties is attached as Schedule A to this Order.

**ON CONSENT OF BOTH PARTIES, I ORDER:**

- [5] Pursuant to s. 4.1 of the SPPA and on the consent of the parties, I dispose of this proceeding without a hearing on the terms set out in the agreement signed by the appellants and Registrar on November 3, 2023, November 5, 2023 and November 8, 2023, copies of which are attached to this order as Schedule A, which Schedule A is incorporated and made part of this Order.

**LICENCE APPEAL TRIBUNAL**



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**Jeffery Campbell, Vice-Chair**

**Released: November 10, 2023**

Schedule A

TO: Licence Appeal Tribunal  
Tribunals Ontario  
15 Grosvenor Street, Ground Floor  
Toronto, ON M7A 2G6

FROM: The Registrar, *Motor Vehicle Dealers Act, 2002*  
Ontario Motor Vehicle Industry Council  
65 Overlea Blvd., Suite 300  
Toronto, ON M4H 1P1

AND FROM: Baker Qahwaji  
c/o Justin Jakubiak  
77 King Street West, Suite 3000, TD Centre North Tower  
Toronto, ON M5K 1G8

AND FROM: Carshops Inc. o/a Firmauto  
c/o Justin Jakubiak  
77 King Street West, Suite 3000, TD Centre North Tower  
Toronto, ON M5K 1G8

Pursuant to subsection 6(2) of the *Motor Vehicle Dealers Act, 2002* (the "MVDA"), Baker Qahwaji ("**Qahwaji**") and Carshops Inc. o/a Firmauto ("**Firmauto**") (collectively, the "**Registrants**") and the Registrar, *Motor Vehicle Dealers Act, 2002*, (the "**Registrar**"), in accordance with section 4.1 of the *Statutory Powers Procedure Act*, do hereby waive the requirements of a hearing and consent to an Order of the Licence Appeal Tribunal ("**Consent Order**") based upon the following terms and conditions:

1. The Registrar agrees to register Firmauto as a motor vehicle dealer under the MVDA, subject to, among other things, the MVDA, the regulations made thereunder, and its conditions of registration.
2. The Registrar agrees that Qahwaji shall be registered as a motor vehicle salesperson under the MVDA, subject to among other things, the MVDA, the regulations made thereunder, and these conditions of registration.
3. The Registrants will ensure that all personnel, agents, assignees, employees, or anyone acting on their behalf are informed of the Terms and Conditions contained in this document to the extent necessary to ensure compliance with these Conditions.
4. In the event of a breach of any of the terms and conditions contained herein, the Registrar shall be permitted to rely on the contents of the Registrar's 2023 Notice of Proposal to Revoke and Refuse Registrations in support of any future administrative proceedings, including, without limitation, any Proposal to Refuse to Renew, Suspend or Revoke Registration.
5. The Registrants will comply with all requirements of the MVDA and Ontario Regulation 333/08, the *Code of Ethics* in Ontario Regulation 332/08, and the Ontario Motor Vehicle

Industry Council (“OMVIC”) Standards of Business Practice, 2010, as may be amended from time to time.

6. The Registrants will provide the Registrar with notice in writing, within five (5) days of any substantive changes to any information provided in obtaining registration, pursuant to section 31 of Ontario Regulation 333/08.
7. Qahwaji shall be responsible for ensuring that Firmauto complies with the conditions of its registration, including the Terms and Conditions contained herein. If Qahwaji ceases to be registered as a salesperson for Firmauto and/or becomes unable to reasonably exercise this responsibility, Firmauto shall immediately inform the Registrar.
8. The Registrants acknowledge that "trade" refers to buying, selling, leasing, advertising or exchanging an interest in a motor vehicle or negotiating or inducing or attempting to induce the buying, selling, leasing or exchanging of an interest in a motor vehicle as defined in the MVDA and pursuant to section 36 through to and including section 51 of Ontario Regulation 333/08; and is not limited to the signing of contracts.

#### **CARSHOPS INC. o/a FIRMAUTO**

9. Firmauto shall ensure that Hala Kharouba shall not be involved in any capacity, either directly or indirectly, in its operation.
10. Firmauto will engage EasyMVDA to conduct three (3) periodic inspections during the first year, two (2) periodic inspections during the second year, and one (1) inspection during the third year for the purposes of ensuring compliance with the MVDA generally and the terms and conditions contained herein specifically.
11. Firmauto shall provide the Registrar with confirmation of an EasyMVDA inspection within five (5) days of the inspection.
12. Firmauto shall immediately rectify any practices identified by EasyMVDA as non-compliant with the MVDA, Ontario Regulation 332/08 or Ontario Regulation 333/08.
13. Firmauto shall ensure that all trades in motor vehicles are completed in accordance with section 30 of the MVDA and pursuant to sections 36, 39, 40, 41, 42, 43 of Ontario Regulation 333/08 and sections 4 and 5 of Ontario Regulation 332/08, where applicable.
14. Firmauto shall ensure that in all trades including an extended warranty, consumers sign the warranty contract and immediately receive a copy of the warranty contract in accordance with section 47 of Ontario Regulation 333/08 and section 7 of Ontario Regulation 332/08.

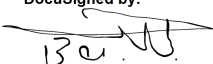
#### **BAKER QAHWAJI**

15. Qahwaji shall complete the OMVIC Automotive Certification Course within 180 days of the date of this Consent Order and shall provide confirmation of such to the Registrar.

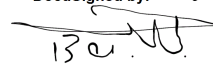
16. Qahwaji shall only be employed by, and registered as a salesperson to, Firmauto, unless he first applies for and obtains the written consent of the Registrar to be registered as a salesperson to another registered motor vehicle dealer.
17. Qahwaji shall not be a partner, shareholder, officer, director, owner, or a person-in-charge, interested or associated person, of a dealer other than Firmauto.
18. Qahwaji shall ensure that all trades in motor vehicles are completed in accordance with section 30 of the MVDA and pursuant to sections 36, 39, 40, 41, 42, 43 of Ontario Regulation 333/08 and sections 4 and 5 of Ontario Regulation 332/08, where applicable.
19. Qahwaji shall ensure that in all trades including an extended warranty, consumers sign the warranty contract and immediately receive a copy of the warranty contract in accordance with section 47 of Ontario Regulation 333/08 and section 7 of Ontario Regulation 332/08.

**ACKNOWLEDGMENT AND UNDERTAKING:**

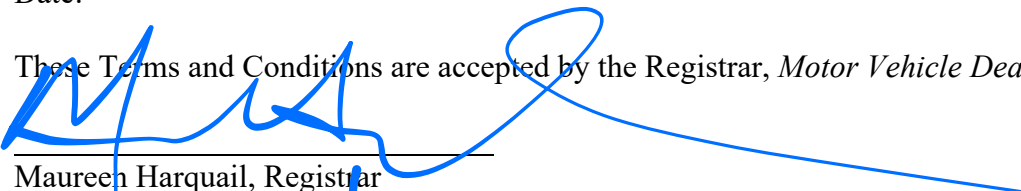
20. The Registrar is relying on the accuracy and completeness of all documents, statements or information provided by the Registrants.
21. The Registrants acknowledge that the Registrar may take further administrative action, including a proposal to suspend or revoke registration, arising from any matters that have occurred or may occur related to honesty and integrity, financial responsibility or compliance with these terms and conditions.
22. Independent legal advice has been obtained or the Registrants have had the opportunity to obtain independent legal advice respecting consent to the Terms and Conditions contained in this document.
23. The Conditions contained in this document shall be in force for a period of three (3) years from the date of this Consent Order, at which time the Registrants may request for the removal or amendment of said conditions.

DocuSigned by:  
  
783F53DFB70642D...  
Carshops Inc. o/a Firmauto  
Date: 11/8/2023

I have authority to bind the Corporation

DocuSigned by:  
  
783F53DFB70642D...  
Baker Qahwaji  
Date: 11/8/2023

These Terms and Conditions are accepted by the Registrar, *Motor Vehicle Dealers Act, 2002.*

  
Maureen Harquail, Registrar

Date: Nov 8/23



Schedule A

TO: Licence Appeal Tribunal  
Tribunals Ontario  
15 Grosvenor Street, Ground Floor  
Toronto, ON M7A 2G6

FROM: The Registrar, *Motor Vehicle Dealers Act, 2002*  
Ontario Motor Vehicle Industry Council  
65 Overlea Blvd., Suite 300  
Toronto, ON M4H 1P1

AND FROM: Hala Kharouba  
4 Mendy's Forest  
Aurora, ON L4G 0C3

Pursuant to subsection 6(2) of the *Motor Vehicle Dealers Act, 2002* (the "MVDA"), Hala Kharouba ("**Kharouba**") and the Registrar, *Motor Vehicle Dealers Act, 2002*, (the "**Registrar**"), in accordance with section 4.1 of the *Statutory Powers Procedure Act*, do hereby waive the requirements of a hearing and consent to an Order of the Licence Appeal Tribunal ("**Consent Order**") based upon the following terms and conditions:

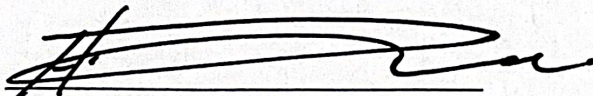
1. The Registrar agrees to register Kharouba as a motor vehicle salesperson under the MVDA, subject to, among other things, the MVDA, the regulations made thereunder, and these conditions of registration.
2. Kharouba will ensure that all personnel, agents, assignees, employees, or anyone acting on her behalf are informed of the Terms and Conditions contained in this document to the extent necessary to ensure compliance with these Conditions.
3. In the event of a breach of any of the terms and conditions contained herein, the Registrar shall be permitted to rely on the contents of the Registrar's 2023 Notice of Proposal to Revoke and Refuse Registrations in support of any future administrative proceedings, including, without limitation, any Proposal to Refuse to Renew, Suspend or Revoke Registration.
4. Kharouba will comply with all requirements of the MVDA and Ontario Regulation 333/08, the *Code of Ethics* in Ontario Regulation 332/08, the Ontario Motor Vehicle Industry Council ("OMVIC") Standards of Business Practice, 2010 and OMVIC Guidelines, as may be amended from time to time.
5. Kharouba will provide the Registrar with notice in writing, within five (5) days of any substantive changes to any information provided in obtaining registration, pursuant to section 31 of Ontario Regulation 333/08.
6. Kharouba shall not be involved in any capacity, either directly or indirectly, in the operation of Carshops Inc. o/a Firmauto or any motor vehicle dealer, whether registered or not, in which Baker Qahwaji is an interested person, an associated person, a salesperson, manager, officer, director, shareholder, or otherwise involved.



7. Kharouba shall not be an interested person, associated person, officer, director, owner, or a person-in-charge of any motor vehicle dealer, whether it is registered or not.
8. Within six (6) months of the Registrar granting Kharouba registration, Kharouba shall complete the OMVIC Automotive Certification Course and shall provide confirmation of such to the Registrar.

**ACKNOWLEDGMENT AND UNDERTAKING:**

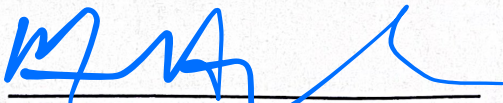
9. The Registrar is relying on the accuracy and completeness of all documents, statements or information provided by Kharouba.
10. Kharouba acknowledges that the Registrar may take further administrative action, including a proposal to suspend or revoke registration, arising from any matters that have occurred or may occur related to honesty and integrity, financial responsibility or compliance with these terms and conditions.
11. Independent legal advice has been obtained or Kharouba has had the opportunity to obtain independent legal advice respecting consent to the Terms and Conditions contained in this document.
12. The Conditions contained in this document shall be in force for a period of three (3) years from the date of this Consent Order, at which time Kharouba may request for the removal or amendment of said conditions.



Hala Kharouba

Date: *November 3, 2023.*

These Terms and Conditions are accepted by the Registrar, *Motor Vehicle Dealers Act, 2002.*



Maureen Harquail, Registrar

Date: *Nov. 5/23*