DISCIPLINE COMMITTEE OF THE ONTARIO MOTOR VEHICLE INDUSTRY COUNCIL

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 -

417 AUTOMOTIVE IMPORTS INC. o/a 417 SUZUKI/THE MINI VAN STORE/THE CAR CLUB/AUTOSONLINE

- and -

ANDREW FELDCAMP

- and -

LAWRENCE ALLEN

AGREED STATEMENT OF FACTS AND PENALTY

417 Automotive Imports Inc. o/a 417 Suzuki/The Mini VanStore/The Car Club/Autosonline, and Andrew Feldcamp, and Lawrence Allen have breached the following:

Section 4 of the Code of Ethics, Regulation 332/08

Section 9 of the Code of Ethics, Regulation 332/08

SUMMARY OF AGREEMENT

The parties to this proceeding agree that: The reasons for this notice are:

1. 417 Automotive Imports Inc. o/a 417 Suzuki/The Mini VanStore/The Car Club/Autosonline (the "Dealer") was first registered as a motor vehicle dealer in or around February 2003. Andrew Feldcamp ("Feldcamp") was first registered as a motor vehicle salesperson in or around May 1991. Lawrence Allen ("Allen") was first registered as a motor vehicle salesperson in or around January 1997. At all material

- times, Feldcamp and Allen were officers of the Dealer, Moreover, since in or around May 2013, Allen has been the Person in Charge of the Dealer.
- 2. On or about May 27, 2010, Allen executed terms and conditions of registration on behalf of the Dealer. As per condition 6, the Dealer agreed to comply with the Code of Ethics.

ADVERTISING:

OMVIC publications:

- In the winter of 2008, OMVIC issued a Dealer Standard publication which highlighted some of the upcoming changes that would take place when the *Motor Vehicle Dealers*Act, 2002 (the "Act") came into effect, including the requirement for dealers to

 prominently disclose a vehicle's former daily rental history in all advertisements, as well as the requirement to advertise an all-inclusive vehicle price.
- 4. Once the Act came into effect, the following Dealer Standard publications further reminded dealers of these advertising requirements:
 - a. Spring 2010
 - Summer 2010 b.
 - Spring 2011
 - d. Summer 2012
 - Spring 2013
 - Summer 2013
 - Fall 2013 g.
 - Winter 2014
 - Spring 2014
 - Summer 2014
- 5. Furthermore, OMVIC issued the following bulletins which also reminded dealers of the requirement to advertise an all-inclusive price:
 - January 2010 (2 separate publications)
 - b. April 2010 (2 separate publications)
 - February 2012 C.
 - August 2012 d.
 - September 2012
 - April 2013 April 2014

Direct correspondence with Dealer:

- 6. By email dated January 8, 2010, a representative of the Registrar reminded the Dealer of its obligation to advertise all inclusive vehicle prices.
- 7. By email dated February 12, 2010, a representative of the Registrar reminded the Dealer of its obligation to advertise all inclusive vehicle prices. In addition to this, the Dealer was also reminded to disclose all former daily rental vehicles prominently in advertisements.
- 8. By facsimile dated February 19, 2010, a representative of the Registrar reminded Allen, on behalf of the Dealer of its obligation to advertise all inclusive vehicle prices. In addition to this, the Dealer was also reminded to disclose all former daily rental/yehicles prominently in advertisements.

- 9. By facsimile dated March 2, 2010, a representative of the Registrar reminded Allen, on behalf of the Dealer of its obligation to disclose all former daily rental vehicles prominently in advertisements.
- 10. By facsimile dated March 4, 2010, a representative of the Registrar reminded Allen, on behalf of the Dealer of its obligation to disclose all former daily rental vehicles prominently in advertisements.
- 11. On or about May 26, 2010, the Dealer solicited the advice of a representative of the Registrar with respect to advertising they wished to publish ("advertising proof"). The Dealer was reminded of its obligation to ensure former daily rental vehicles are disclosed in a clear, comprehensible and prominent manner.
- 12. On or about May 27, 2010, the Dealer solicited the advice of a representative of the Registrar with respect to an advertising proof. The Dealer was reminded of its obligation to ensure advertised vehicle prices are all-inclusive.
- 13. On or about May 27, 2010, the Dealer solicited the advice of a representative of the Registrar with respect to a second advertising proof. The Dealer was reminded of its obligation to ensure former daily rental vehicles are disclosed in a clear, comprehensible and prominent manner.
- 14. By email dated August 16, 2011, a representative of the Registrar reminded the Dealer of its obligation to disclose all former daily rental vehicles prominently in advertisements.
- 15. During an inspection on or about November 29, 2011, a representative of the Registrar reminded Allen, on behalf of the Dealer of its obligation to disclose all former daily rental vehicles prominently in advertisements.
- 16. By email dated July 11, 2012, a representative of the Registrar reminded the Dealer of its obligation to ensure advertised vehicle prices are all-inclusive.

Dealer history:

17. On or about November 18, 2010, the Dealer plead guilty to failing to comply with section 32(1) of Regulation 333/08, as a result of advertisement[s] being produced by or on behalf of the Dealer which failed to promote all inclusive vehicle prices.

Current advertising non-compliance:

- 18. During an inspection on or about January 21, 2015, a representative of the Registrar found the following advertising issues:
 - a. On or about January 16, 2014, the Dealer sold a 2014 Chrysler 200, (Stock # CC2039), for \$474.54 above the vehicle's advertised price. As such, the advertisement for this vehicle did not promote an all-inclusive price. This is contrary to section 36(7) of Regulation 333/08, as well as sections 4 and 9 of the Code of Ethics. Since the OMVIC inspection, the Dealer has refunded the purchaser of this vehicle the amount they were over charged.

- b. On or about October 28, 2014, the Dealer sold a 2013 Kia Sorento (Stock # 6329P) for \$3819 above the above the vehicle's advertised price. As such, the advertisement for this vehicle did not promote an all-inclusive price. This is contrary to section 36(7) of Regulation 333/08, as well as sections 4 and 9 of the Code of Ethics. Since the OMVIC inspection, the Dealer has refunded the purchaser of this vehicle the amount they were over charged.
- c. On or about November 5, 2014, the Dealer sold a 2010 Nissan Altima (Stock # 6375P) for \$1354 above the vehicle's advertised price. As such, the advertisement for this vehicle did not promote an all-inclusive price. This is contrary to section 36(7) of Regulation 333/08, as well as sections 4 and 9 of the Code of Ethics. Since the OMVIC inspection, the Dealer has refunded the purchaser of this vehicle the amount they were over charged.
- d. On or about January 12, 2015, the Dealer sold a 2013 Nissan Rogue (Stock # 6247X) for \$1,000 above the vehicle's advertised price. As such, the advertisement for this vehicle did not promote an all-inclusive price. This is contrary to section 36(7) of Regulation 333/08, as well as sections 4 and 9 of the Code of Ethics. Since the OMVIC inspection, the Dealer has credited the purchaser of this vehicle the amount they were over charged.
- 19. On or before August 5, 2015, a 2015 Nissan Altima (VIN 1N4AL3APXFN306374) was advertised by or on behalf of the Dealer. This vehicle is a former daily rental unit and the advertisement failed to disclose this information, contrary to section 36(5) of Regulation 333/08, as well as sections 4 and 9 of the Code of Ethics.
- 20. Moreover, additional advertisements published on the aforementioned date failed to disclose that vehicles were former daily rental units in a clear, comprehensible and prominent manner. This is also contrary to section 36(5) of Regulation 333/08, as well as sections 4 and 9 of the Code of Ethics.
- 21. The Dealer has since rectified the former daily rental disclosure issues referenced in the aforementioned paragraphs.

By failing to comply with the following sections of the *Motor Vehicle Dealers Act, 2002*: Regulation 333/08

- 36(5) If any of the following is true of a motor vehicle, an advertisement that attempts to induce a trade in the specific vehicle shall indicate, in a clear, comprehensible and prominent manner, that the vehicle was previously,
 - (a) leased on a daily basis, unless the vehicle was subsequently owned by a person who was not a registered motor vehicle dealer;
 - (b) used as a police cruiser or used to provide emergency services; or
 - (c) used as a taxl or limousine.

36(7) If an advertisement indicates the price of a motor vehicle, the price shall be set out in a clear, comprehensible and prominent manner and shall be set out as the total of,

(a) the amount that a buyer would be required to pay for the vehicle; and (b) subject to subsections (9) and (10), all other charges related to the trade in the vehicle, including, if any, charges for freight, charges for inspection before delivery of the vehicle, fees, levies and taxes.

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

- 4. 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.
- 9. 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.

JOINT SUBMISSION ON PENALTY:

- 1. The Dealer agrees to pay a fine in the amount of \$6,800 within 90 days of the date of the Discipline Committee Order.
- 2. Feldcamp agrees to successfully complete the OMVIC certification course (the "course") within 90 days of the date of the Discipline Committee Order.
- 3. Allen agrees to successfully complete the OMVIC certification course (the "course") within 90 days of the date of the Discipline Committee Order.
- 4. The Dealer agrees to ensure all staff responsible for producing advertising on behalf of the Dealer attend the OMVIC advertising seminar within 90 days of the Discipline Committee Order, or if this is not offered within the prescribed period, at a mutually convenient date.
- 5. The Dealer agrees to offer all current and future sales staff the opportunity to complete the course. Current sales staff will be offered the course within 90 days of the date of the Discipline Committee Order. Future sales staff will be offered the course within 90 of be retained in this capacity. The Dealer will incur all costs associated with this. It is understood between the parties this clause does not apply to sales staff who have completed the course after January 1, 2009, or who are otherwise required to do so pursuant to the Act.
- 6. The Dealer agrees to comply with the Act and Standards of Business Practice, as may be amended from time to time.

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- 6. The Dealer agrees to comply with the Act and Standards of Business Practice, as may be amended from time to time.

By signature below, I acknowledge that I have read and understand the penalty outlined herein and agree to the said terms and/or conditions and that I exercised my right to be represented by Counsel or agent In this matter. I understand, acknowledge and consent to waive the requirement for a hearing and to request an Order from the Chair of the Discipline Committee that includes this Agreed Statement of Facts and Penalty as a final settlement of this matter.

DATED AT OHOWA THIS 29 DAY OF December, 2015
LAWRENCE ALLER
(please print)
(signature)
I have the authority to bind the corporation: 417 Automotive Imports Inc. o/a 417 Suzuki/The Mini VanStore/The Car Club/Autosonline
By signature below the Registrar agrees, acknowledges, understands and consents to the final settlement of this matter by way of this Agreed Statement of Facts and Penalty.
DATED AT HOWA THIS 31 DAY OF DECEMBER, 2015
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Andrew Fieldcamp
By signature below the Registrar agrees, acknowledges, understands and consents to the final settlement of this matter by way of this Agreed Statement of Facts and Penalty.
DATED AT OHAWA THIS 29 DAY OF December, 2015
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Registrar, <i>Motor Vehicle I</i>	Dealers A	Act, 2002				
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Pursuant to Rule 1.07, Parties identified above	l accep	ot this A	greed Stat	emen	t of Fact	s and Penalty from
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DATED AT Appaste	THIS_	11+1	_DAY OF	Fel	ruan/	_, 2014
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Ontario Motor Vehicle Ind	lustry Co	uncil	•			
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