

DISCIPLINE DECISION

REVIEWING PANEL: Deb Mattina, Public Member
Paul Eros, Registrant
Jon Lemaire, Registrant

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 -)
)
WELLAND CHEVROLET BUICK GMC INC.)
)
- and -)
)
MICHAEL ANTHONY KNAPP)
)
)

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: May 13, 2025

Findings: **Welland Chevrolet Buick GMC Inc. (the “Dealer”) has breached the following:**

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

Michael Anthony Knapp has breached the following:

- Section 9(3) of the Code of Ethics, O. Reg. 332/08

Order:

1. Welland Chevrolet Buick GMC Inc. (the “Dealer”) shall pay a fine in the amount of **\$2,500** no later than ninety (90) calendar days from the date of the Discipline Tribunal’s Order.

Overview

This matter proceeded on the basis of an Agreed Statement of Facts, dated April 7, 2025, 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:

The allegations against Michael Anthony Knapp with respect to section 6(2) of the Code of Ethics, O. Reg. 332/08, contained in paragraph 9 of the Notice of Complaint (“NOC”) dated April 12, 2024, are hereby withdrawn.

Amendment:

1. The NOC is amended to reflect that the Ontario Motor Vehicle Industry Council (“OMVIC”) replaces the Registrar, *Motor Vehicle Dealers Act, 2002* as a party to this proceeding.

Background:

2. Welland Chevrolet Buick GMC Inc. (the “Dealer”) was first registered as a motor vehicle dealer in and around April 2021.
3. Michael Anthony Knapp (“Knapp”) was first registered as a salesperson in and around February 1997. At all material times, Knapp has been a General Manager, Director, and the Person in Charge of the day-to-day activities of the Dealer.

OMVIC Publications:

4. Since the *Motor Vehicle Dealers Act, 2002* (the “Act”) was proclaimed in 2010, OMVIC has issued various educational materials, including publications, webinars and guidelines, reminding registrants of their all-in pricing obligations. The dates of said publications are attached hereto as Schedule “A”. Educational materials continue to be available on OMVIC’s website.

Dealer’s Non-Compliance:

5. On or before September 14, 2023, the Dealer published an advertisement for a red 2022 Chevrolet Silverado 1500 LTD, stock# 34044 (VIN# *138359) with an advertised cash price of \$48,490 plus taxes and licensing.
6. On or about the same date, an OMVIC Representative made inquiries about the vehicle, while posing as a member of the public.

7. A salesperson, acting on behalf of the Dealer, prepared a worksheet on his computer for the OMVIC Representative. The following additional charges were added to the price of the vehicle:
 - a. Admin fee of \$269
 - b. Gas fee of \$100
 - c. OMVIC fee of \$10
8. The salesperson did not advise if any of the above fees were optional.
9. As such, 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.

Knapp's Non-Compliance:

10. Knapp 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 section 9(3) of the Code of Ethics.
11. 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.

12. As particularized above, the Dealer and Knapp have violated the following section of the Code of Ethics:

Professionalism

s. 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.

Decision of the Reviewing Panel

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 the Dealer has breached subsections 4(2) and 9(3) of the OMVIC Code of Ethics; (2) Knapp has breached subsections 9(3) of the OMVIC Code of Ethics.

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

Reasons for Decision

The Reviewing Panel received and considered comprehensive written materials from the parties and was left satisfied that the proposed resolution has no risk of being contrary to the public interest. While the Panel accepts the proposed penalty, the Panel

pondered whether in instances where breaches of the Code are found during interactions with “mystery shoppers”, that perhaps a more fulsome investigation of the Dealership might be warranted. That possibility is clearly something to be left to OMVIC for future consideration. Be that as it may, the outcome is clearly connected to the admitted breaches of the Code of Ethics and consistent with other outcomes ordered in this Tribunal in similar cases. In such circumstances, disposition under Rule 1.07 is appropriate and ordered accordingly.

Ontario Motor Vehicle Industry Council
Discipline Tribunal

Dated: May 13, 2025

A handwritten signature in blue ink, reading "Deb Mattina", is written over a horizontal line.

Deb Mattina, Public member
On behalf of:

Paul Eros, Registrant
Jon Lemaire, Registrant

