



Citation: Al-Hosseini and Fast Action Ltd. v. Registrar, *Motor Vehicle Dealers Act, 2002*, (“Act”) 2025 ONLAT MVDA 17174

Licence Appeal Tribunal File Number: 17174/MVDA

In the matter of appeals from a Notice of Proposal under section 9 of the *Act*, to revoke registrations.

Between:

Hassan Al-Hosseini and Fast Action Ltd.

Appellants

and

Registrar, Motor Vehicle Dealers Act, 2002

Respondent

DECISION AND ORDER

ADJUDICATOR: Jan Dymond, Vice Chair

APPEARANCES:

For the Appellants: Hassan Al-Hosseini, Appellant
Michael Burokas, Counsel

For the Respondent: Jane Samler, Counsel

Held by teleconference: June 26, 2025

OVERVIEW

- [1] The appellant appeals the Registrar's Notice of Proposal to Revoke Registration (the "NOP"), dated May 26, 2025, pursuant to the *Motor Vehicle Dealers Act, 2002*, S.O. 2002, c. 30, Sch. B (the "Act") to revoke the registration of Hassan Al-Hosseini as a motor vehicle salesperson and to Fast Action Ltd. with respect to its registration as a motor vehicle dealer under section 9 of the *Act*.
- [2] Hassan Al-Hosseini is the sole officer and director of Fast Action Ltd. Therefore, Hassan Al-Hosseini and Fast Action Ltd. will be referred to collectively as the "appellant or the Registrant."
- [3] On June 2, 2025, the appellant completed Mr. Al-Hosseini's appeal to the Licence Appeal Tribunal of the NOP in respect of his registration as a motor vehicle salesperson which was assigned Tribunal file 17174/MVDA.
- [4] On June 12, 2025, the appellant completed Fast Action Ltd.'s appeal to the Licence Appeal Tribunal of the NOP in respect of its registration as a motor vehicle dealer which was assigned Tribunal file 17197/MVDA.
- [5] A hearing for file 17174/MVDA was commenced on June 17, 2025. At the start of the hearing, the parties requested that the two appeals be combined in one proceeding. Adjudicator Painchaud granted the parties' request. Adjudicator Painchaud vacated the hearing for 17197/MVDA scheduled to be heard in the afternoon of June 17, 2025 and ordered that the two files to proceed under file 17174/MVDA.
- [6] The parties jointly requested an extension of the Interim Temporary Suspension Order (ITSO) of Mr. Al-Hosseini. Adjudicator Painchaud granted an extension of the ITSO to until June 27, 2025.
- [7] The parties then requested, and were granted, an adjournment of the hearing so that the parties could explore resolution.
- [8] On June 26, 2025, the parties advised the Tribunal that they had reached an agreement and requested that the Tribunal immediately issue a Consent Order without resuming the hearing.
- [9] The parties' request was denied. The parties were reminded the *Act* requires the Tribunal to hold a hearing and authorizes the Tribunal to direct the registrar to carry out the registrar's proposal or substitute its opinion for that of the registrar and attach conditions to its order or to a registration.

- [10] In accordance with s. 9(5) of the *Act*, if a hearing is requested, the Tribunal shall hold the hearing and may direct the registrar to take the action the Tribunal believes appropriate. Although s. 4.1 of the *Statutory Powers Procedure Act* provides that a tribunal may dispose of an appeal if the parties consent, it also provides that a tribunal may not make an order without a hearing if another act or a regulation that applies to the proceeding provides otherwise. In reviewing the *Act*, which is the operative statute for this proceeding, s. 9(5) provides that where an appellant requests a hearing (as the appellant here has), then “the Tribunal shall hold the hearing” before the Tribunal may make an order in this proceeding. The express language in the *Act* has clear precedence over s. 4.1 of the *Statutory Powers Procedure Act*. Therefore, an appeal before the Tribunal may be disposed of by an order made after a hearing or by the filing of a Notice of Withdrawal. The Tribunal will not issue an order for the enforcement of a settlement agreement based only on the consent of the parties without a hearing.
- [11] Today the parties attended the resumption of the hearing. They reported that they have developed a set of proposed conditions for the Tribunal’s consideration which, if ordered, will resolve the issues in dispute for Fast Action Ltd. and Hassan Al-Hosseini. They submitted that, as the hearing commenced on June 17, 2025, a hearing has already been held and the Tribunal therefore has the power to order the conditions jointly submitted by the parties without further review.
- [12] I reviewed the Order of Adjudicator Painchaud. I agree that a hearing had been commenced on June 17, 2025; however, Adjudicator Painchaud only addressed the parties requests to combine the appeals and extend the ITSO for Mr. Al-Hosseini. She did not hear evidence with respect to the merits of the appeal. Had a hearing on the merits been commenced, Adjudicator Painchaud would have indicated that she was seized on the matter; however, her Order states that she is not seized.
- [13] The parties cited *Timothy Edward Bradley v. Ontario College of Teachers, 2021 ONSC 2303 (“Bradley”)* submitting that the Tribunal should not interfere with agreed conditions arrived at by the parties. In *Bradley*, the court found that the College of Teachers erred in rejecting the parties joint submission on penalty. The parties acknowledged that the Tribunal is not a disciplinary body but submitted that the same principle should apply to joint agreements brought before the Tribunal. Decision. The court’s decision in *Bradley* relied on the Supreme Court of Canada’s decision in *R. Anthony-Cook, 2016 SCC 43 (“Anthony-Cook”)* which adopted a public interest test for rejecting a joint submission, stating:

Joint submissions on sentence are to be accepted “unless the proposed sentence would bring the administration of justice into disrepute or is

otherwise contrary to the public interest” (para. 32). At para. 34, the Court emphasized that this is a very stringent test.

- [14] Neither *Bradley* nor *Anthony-Cook* found that agreements between parties should be accepted without review, but rather that a disciplinary body that rejects a joint submission on penalty must apply the public interest test and must show why it is so unhinged from the circumstances of the case that it must be rejected. Further, holding a hearing as required by s. 9(5) of the *Act* and as requested by the appellant does not in itself mean the Tribunal rejects the joint submission put forward by the parties. In my view, there is a difference between holding a hearing (the event) and the joint submission (the content of an event).
- [15] The parties cited no jurisprudence indicating that the Tribunal is bound by either *Bradley* or *Anthony-Cook*. The parties request to proceed without a hearing on the merits of the proposed conditions is denied.

STATEMENT OF FACTS

- [16] At the hearing, the parties reviewed the individual deficiencies set out in the NOP and agreed to the following statement of facts with respect to the past conduct of Mr. Al-Hosseini and Fast Action Ltd:

Failure to notify Registrar and False Statement in Application

- a. Fast Action Ltd. (the “Dealer”) was first registered as a motor vehicle dealer under the *Act* in or around November 2021 and is currently registered. The Dealer is registered in the wholesaler class.
- b. Hassan Al-Hosseini (“Al-Hosseini”) was first registered as a motor vehicle salesperson under the *Act* in or around February 2018 and is currently registered. At all material times, Al-Hosseini has been a General Manager and a Person-in-Charge of the day-to-day activities of the Dealer.
- c. Linda Youssef (“Youssef”) was first registered as a motor vehicle salesperson under the *Act* in or around November 2021. At all material times, Youssef has identified to the Registrar that she is the sole Director and a Person-in-Charge of the day-to-day activities of the Dealer.
- d. However, unbeknownst to the Registrar, Al-Hosseini became the sole Director of the Dealer on or about October 23, 2024.
- e. As such, Al-Hosseini, on behalf of the Dealer, failed to notify the Registrar within 5 days of any change in its officers or directors. This is contrary to s. 24(1)(b) of the *Act*.

- f. Al-Hosseini, on behalf of the Dealer, provided a false statement in an application for registration. On or about November 26, 2024, an application was submitted to the Registrar to renew the Dealer's registration and falsely identified Youssef as the sole Director of the Dealer and failed to identify Al-Hosseini.

Current Inspection – 2025

Failure to Produce Records

- g. On or about February 18, 2025, a representative of the Registrar (the "Inspector") sent a courtesy Inspection Notice to the Dealer to advise that an inspection would take place at the Dealer's premises on March 19, 2025. The Inspection Notice reminded the Dealer of the books and records that would be required for the inspection.
- h. On or about March 13, 2025, Al-Hosseini advised the Inspector that he would be "visiting family all of next week" and requested to reschedule the inspection to March 25, 2025.
- i. On or about March 14, 2025, the Inspector advised the inspection could take place 'remotely' (by virtual appointment) due to the low volume of motor vehicle trades (five trades in the past 12-months) and the Inspector requested that the Dealer upload its records to an online folder. The Inspector requested to schedule a virtual appointment on March 17, 2025.
- j. On or about March 17, 2025, no one attended the virtual appointment on behalf of the Dealer. The Inspector sent a follow-up email to Al-Hosseini and requested that he call her back.
- k. On or about March 17, 2025, the Inspector again requested that the Dealer upload the records required for the inspection to an online folder by March 21, 2025.
- l. On or about March 21, 2025, Al-Hosseini advised the Inspector that he could not meet the March 21st deadline and requested to reschedule the appointment to March 25, 2025.
- m. On or about March 24, 2025, the Inspector advised she was unavailable on March 25, 2025 and requested to reschedule the appointment to March 28, 2025.
- n. On or about March 25, 2025, Al-Hosseini advised the Inspector that he did not have any records related to the five motor vehicle trades and

explained that he “just recently took over the dealership and the pervious (sic) owner doesn’t have them.” The Dealer thereby failed to retain records related to its motor vehicle trades, contrary to ss. 53 and 56 of the *Act*.

- o. On or about March 26, 2025, the Inspector asked Al-Hosseini to clarify the circumstances surrounding Youssef and Al-Hosseini’s roles at the dealership. The Inspector further requested if records regarding any other motor vehicle trades could be provided. The Inspector again repeated the list of records that would be required for the purpose of the inspection and set a deadline of March 28, 2025.
- p. Al-Hosseini, on behalf of the Dealer, failed to submit any of the requested documentation by the March 28th deadline.
- q. On or about March 31, 2025, the Inspector repeated the request for information and records that were required for the purpose of the inspection and extended the deadline to April 3, 2025.
- r. Al-Hosseini, on behalf of the Dealer, failed to submit any of the requested documentation by the April 3rd deadline.
- s. On or about April 14, 2025, a senior representative of the Registrar that oversees inspections, the Director of Compliance, sent a formal letter to the attention of Al-Hosseini to remind him of the obligation to comply with the inspection and to produce all requested documentation, pursuant to s. 15 of the *Act*. The deadline to comply was extended to April 17, 2025.
- t. Al-Hosseini, on behalf of the Dealer, failed to submit any of the requested documentation by the April 17th deadline.
- u. As of April 17, 2025, the following information and records required for the purpose of the inspection, remained outstanding:
 - i. Clarification regarding Youssef and Al-Hosseini’s roles at the dealership;
 - ii. Records related to any motor vehicles trades;
 - iii. Proof of most recent HST Remittance;
 - iv. Bank statements for 3-months;
 - v. Garage Register;
 - vi. Garage Insurance Policy Pink Slip; and

- vii. Responses to 10 questions regarding the Dealer's business activities.
- v. Al-Hosseini, on behalf of the Dealer, acted in a manner that obstructed the inspection and failed to produce any of the requested documentation that were required for the purpose of the inspection. Al-Hosseini has thereby breached ss. 15(4) and (5) of the *Act*.
- w. As of June 26, 2025, the Dealer has provided all of the outstanding information and records that were requested by the Inspector, with the exception of 4 bills of sale which the Dealer could not obtain.

Trading Out of Class

- x. In preparation for the inspection, the Inspector obtained records from the Ministry of Transportation ("MTO") which indicate a history of motor vehicles trades conducted by the Dealer. The Inspector discovered that the Dealer acquired a 2016 Mercedes GL (VIN: *045583) from an individual on or about December 12, 2024. The individual has never been registered as a motor vehicle dealer under the *Act*.
- y. As such, Al-Hosseini failed to ensure the Dealer only traded with other registered dealerships. This is contrary to the wholesaler restrictions per s. 21 of O. Reg. 333/08.

ANALYSIS

- [17] A number of the conditions proposed by the Registrar and agreed to by the appellant restate the appellant's obligation to conduct himself and operate Fast Action Ltd. in accordance with the Act and Regulations. The Registrar submits that the listed conditions directly address the appellant's past conduct failures and are necessary to protect the public interest by ensuring that the appellant fully understands these obligations in the context of his specific business operations. I note that it is the obligation of every registrant to familiarize themselves with and operate in full accordance with the applicable laws and regulations; however, I am satisfied by the respondent's submissions that conditions are directly relevant to the deficiencies itemized in the Agreed Statement of Facts, are enforceable and necessary for protection of the public interest.
- [18] The Registrar proposes, and the appellant consents to, additional conditions intended to address specific deficiencies in the appellant's past conduct, establish good business practices and ensure that the appellant operates within his licence class. I am satisfied by the respondent's submissions that conditions are directly

relevant to the deficiencies itemized in the Agreed Statement of Facts, are enforceable and necessary for protection of the public interest.

- [19] I find that condition #4 as stated in the parties' proposed consent agreement dated June 16, 2025 falls outside the authority of the Tribunal because it requires the appellant to acknowledge certain definitions. I understand the Registrar's intention to reinforce the applicant's understanding of the rules; however, I find that it is not an action that is enforceable and for that reason I decline to order it.

ORDER

- [20] I reviewed the basis for each of the following proposed conditions and am satisfied that each is relevant to deficiencies in the past conduct of the appellant and is within the Tribunal's authority. I, therefore, order the following:

- (i) The Registrant will comply with all requirements of the MVDA and Ontario Regulation 333/08, the Code of Ethics in Ontario Regulation 332/08, and OMVIC Guidelines, as may be amended from time to time and where applicable to the wholesaler class of registration. The Registrant further agrees to read all correspondence and bulletins from OMVIC as released.
- (ii) The Registrant will provide the Registrar with notice in writing, within five days of any substantive changes to their business plan or information provided in obtaining their registration, pursuant to section 31 of Ontario Regulation 333/08.
- (iii) The Registrant will provide the Registrar with notice in writing, within five days of any change in the officers or directors of the corporation, pursuant to section 24 of the MVDA. The Registrant further agrees to notify the Registrar of any change in partners or owner, person(s) in charge, and signing authority for the dealership. The Registrant further agrees not to effect such changes without first obtaining the Registrar's prior approval, in writing, which shall not be unreasonably withheld.
- (iv) The Registrant will ensure that all personnel, agents, assignees, or anyone acting on behalf of the Registrant are informed of the Terms and Conditions contained in this document to the extent necessary to ensure compliance with these Terms and Conditions.
- (v) The Registrant will ensure that all personnel, agents, assignees or anyone acting on behalf of the Registrant to trade motor vehicles will be registered as a salesperson to the Registrant.

- (vi) The Registrant will not conduct business with any person acting as a motor vehicle dealer and trading in motor vehicles without first confirming that the person is registered as a motor vehicle dealer in accordance with the MVDA.
- (vii) The Registrant will only trade in motor vehicles with dealers registered under the MVDA and wholesale auctions.
- (viii) The Registrant shall not purchase or sell or lease motor vehicles to a consumer.

Premises

- (ix) The Registrant will operate exclusively from the location approved by the Registrar.
- (x) The Registrant will provide the Registrar with notice in writing, within five days of any change in the location. The Registrant further agrees not to effect such changes without first obtaining the Registrar's prior approval, in writing, which shall not be unreasonable withheld.

Books and Records

- (xi) The Registrant will maintain all books and records at the Registrant's registered premises in accordance with the MVDA and pursuant to section 52 through to and including section 60 of Ontario Regulation 333/08.
- (xii) The Registrant shall maintain a garage register in accordance with section 60(1) of the *Highway Traffic Act* ("HTA") and shall maintain all required records related to any motor vehicle trade.
- (xiii) The Registrant and Al-Hosseini will provide free access to books and records of the Registrant to an authorized representative of the Registrar (e.g. an inspector) in accordance with section 15 of the MVDA. The Registrant and Al-Hosseini will provide assistance to the inspector and shall provide any document or record that is required for the purpose of the inspection, as soon as practicable or as directed by the inspector. The Registrant and Al-Hosseini are prohibited from obstructing any inspector who is conducting an inspection.
- (xiv) The Registrant will not purchase a vehicle without first ensuring that the vehicle is registered to the seller and, if it is in Ontario at the time of purchase, that it is recorded in the Ontario Ministry of Transportation (MTO) records.

- (xv) The Registrant shall ensure that all vehicles purchased will be registered under the Registrant's Registrant Identification Number ("RIN") in the records of the MTO, within 6 days, in accordance with section 11 of the HTA.
- (xvi) The Registrant will undertake to ensure that all vehicles sold will be registered in the name of the purchaser, in the records of the MTO before releasing the vehicle to the purchaser.
- (xvii) The Registrant will undertake that in the event their books and records are lost, stolen or destroyed in whole or in part, the Registrar will be advised, in writing, within 5 days of the event pursuant to section 55 of Ontario Regulation 333/08; and will include all relevant documentation. The documentation will include, but is not limited to, police reports, insurance claims and affidavits. The Registrant further agrees to make all reasonable efforts to reconstitute the lost, stolen or damaged records.
- (xviii) The Registrant will obtain a receipt prior to the removal of any records by a government or professional agency; or any other person or entity, from the registered premise. Such receipt will include the recipient's name, address, telephone number, description of records taken, the time of return and signature of recipient. The Registrant undertakes to provide the receipt to OMVIC when requested by the Registrar.

Disclosure

- (xix) The Registrant shall ensure that all trades in motor vehicles are completed in accordance with section 30 of the MVDA and pursuant to sections 39, 40, 41, 42 and 43 of Ontario Regulation 333/08 and sections 4 and 5 of Ontario Regulation 332/08, where applicable.
- (xx) In particular, as a wholesaler, the Registrant shall ensure that it discloses, in writing, on the bill of sale, all applicable disclosures in accordance with s. 5 of Ontario Regulation 332/08. This includes but it not limited to disclosures regarding: the total distance; any faulty or repaired odometers; prior damage history and the amount; declared by an insurer to be a total loss; structural damage or any repairs to the structure of the vehicle; and any other fact about the vehicle that affects the structural or mechanical quality or performance of the vehicle.
- (xxi) The Registrant shall disclose to its customers all material facts about the motor vehicles it sells to them. The Registrant further agrees to disclose all material facts on the Bill of Sale, in writing. The Registrant shall ensure compliance with all of its disclosure obligations notwithstanding whether or

not the vehicle has been branded through MTO. For greater certainty, a material fact is one that if disclosed could affect the decision of a reasonable person to purchase the vehicle or affect the purchase price that a reasonable person would be willing to pay to purchase the vehicle. In the case of damaged vehicles, the Registrant further agrees to disclose as much detail as reasonably possible regarding the nature and severity of the damage. The Registrant undertakes to use due diligence to ensure that it is informed of all material facts with respect to the history and condition of all the motor vehicles it sells in order to ensure that all material facts are disclosed.

- (xxii) The Registrant agrees to accept full responsibility for the quality of any repairs or alterations to a motor vehicle completed by the Registrant's personnel, agents, assignees, affiliated repair facilities or anyone acting on behalf of the Registrant.

Financial Responsibility

- (xxiii) The Registrant shall not arrange, accept or receive any sources of financing from any private source without the prior written approval of the Registrar. This requirement does not apply to financing obtained from a corporation registered under the *Loan and Trust Corporations Act, R.S.O. 1990*, the *Bank Act, SC 1991* or from a credit union or league that is subject to the *Credit Unions and Caisses Populaires Act, 2020*, as may be amended from time to time.
- (xxiv) The Registrant shall provide written notification to the Registrar, within five (5) days, of obtaining new financing from a financial institution where there is a guarantor added, who is not an officer, director, shareholder, partner or person in charge, approved by the Registrar. This requirement includes financing obtained from a corporation registered under the *Loan and Trust Corporations Act, R.S.O. 1990*, the *Bank Act, SC 1991* or from a credit union or league that is subject to the *Credit Unions and Caisses Populaires Act, 2020*, as may be amended from time to time.
- (xxv) The Registrant shall maintain bank accounts that are compliant with section 59 of Ontario Regulation 333/08.
- (xxvi) The Registrant shall notify the Registrar, in writing, of any change in any business banking accounts.
- (xxvii) The Registrant shall comply with all federal, provincial and municipal tax obligations. The Registrant will ensure all required filings are current and submitted with required payments. All taxes collected are deemed to be trust

funds and will not be used for any other purpose other than remittances to the federal, provincial and municipal government.

OMVIC Transaction Fee

- (xxviii) The Registrant shall ensure that the transaction fee is paid to OMVIC on any motor vehicle sales, leases, exports, fleet and consignments, except for trades with dealers registered under the MVDA.
- (xxix) The Registrant shall self-report and remit all transaction fees to OMVIC with its annual registration renewal application, if applicable.
- (xxx) The Registrant shall provide the Registrar, as soon as practicable, with documentation related to any motor vehicle trade when requested by the Registrar. The Registrant further understands that failure to report and pay the transaction fee accurately and on a timely basis may result in administrative action by the Registrar.

Liens

- (xxxi) The Registrant shall ensure that if it agrees to pay any outstanding loan, repair or storage fees in relation to a vehicle being traded-in to it, a statement to this effect is included in writing, on the contract, as required pursuant to section 43(4) of Ontario Regulation 333/08 and section 9(5) of the Code of Ethics Regulation 332/08. The Registrant shall fulfil these obligations by immediately paying off the loan and ensuring that any related liens are discharged.
- (xxxii) The Registrant shall ensure that prior to selling or leasing a motor vehicle to a customer, the vehicle is free of any liens or encumbrances, and the customer is free to enjoy quiet possession and use of the vehicle in accordance with section 13 of the *Sale of Goods Act*.

Course Requirement

- (xxxiii) Al-Hosseini shall successfully complete the Automotive Record Keeping Course offered by Georgian College within 60 days of the date of the Licence Appeal Tribunal's order.

Effective Period

- (xxxiv) These Terms and Conditions shall commence from the date of the Licence Appeal Tribunal's order and remain in effect for a period of four (4) years, unless otherwise specified in these Terms and Conditions.

LICENCE APPEAL TRIBUNAL



Jan Dymond, Vice Chair

Released: July 31, 2025