

DISCIPLINE DECISION

REVIEWING PANEL: Greg Flude, Public Member
Mike Ball, Registrant Member
Joe Malfara, 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 -)
LEBADA MOTORS SUPERSTORE INC.)
- and -)
HANY LEBADA)
- and -)
ALEXANDER KATSAMBROKOS)
)

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: December 29, 2025

Findings: **Lebada Motors Superstore Inc. (“the Dealer”) has breached the following:**

- Sections 4(1), 4(2) and 9(3) of the Code of Ethics, O. Reg. 332/08

Hany Lebada has breached the following:

- Sections 4(1), 4(2), 6(2) and 9(3) of the Code of Ethics, O. Reg. 332/08

Alexander Katsambrokos has breached the following:

- Sections 4(1), 4(2), 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 **\$4,000** no later than 180 calendar days from the date of the Discipline Tribunal's Order.
2. Hany Lebada ("Lebada") shall successfully complete (with a passing grade of at least 80%) the MVDA Key Elements Course no later than 180 calendar days from the date of the Discipline Tribunal's Order.
3. Alexander Katsambrokos ("Katsambrokos") shall successfully complete (with a passing grade of at least 80%) the MVDA Key Elements Course no later than 180 calendar days from the date of the Discipline Tribunal's Order.
4. 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 180 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 November 10, 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:

Background

1. The Dealer was first registered as a motor vehicle dealer under the Act in or around April 2019.
2. Lebada was first registered as a salesperson under the Act in and around November 2006. At all material times, Lebada has been a registered salesperson and designated Person in Charge of the day-to-day activities of the Dealer.
3. Katsambrokos was first registered as a salesperson under the Act in and around July 2004. At all material times, Katsambrokos has been acting as a salesperson on behalf of the Dealer.

OMVIC Publications

4. Since the Act was proclaimed in 2010, OMVIC has issued various educational materials, including publications, webinars and guidelines, reminding registrants of

their all-in price advertising obligations. Educational materials continue to be available on OMVIC's website.

Dealer's Non-Compliance

All-in Pricing and Disclosure in Advertisement

5. On or before February 7, 2025, the Dealer published an advertisement for an orange 2021 Kia Soul with an advertised price of \$21,995 plus taxes and licensing. The advertisement indicated that the price included a \$2,000 finance rebate. The advertisement did not include the vehicle's identification number ("VIN").
6. On or about February 7, 2025, a representative of OMVIC (the "Representative") attended the Dealer's premises to make inquiries about the vehicle, while posing as a member of the public (also known as a 'mystery shop').
7. The Representative met with Katsambrokos and another employee of the Dealer to discuss pricing. The Representative confirmed that the Kia Soul located on the lot was the same vehicle as advertised.
8. Katsambrokos, on behalf of the Dealer, provided the Representative with a worksheet which indicated a cash selling price of \$23,995 plus the following additional required fees:
 - a. \$699 admin fee
 - b. \$100 for gas
 - c. \$12.50 OMVIC fee
9. These additional fees amount to a total of \$811.50, which was added above the advertised cash price for the vehicle.
10. Katsambrokos, on behalf of the Dealer, also explained that if the Representative were to purchase a \$5,389 warranty, the selling price may be reduced by \$2,000 and the \$699 admin fee may be waived.
11. As a result, the Dealer's advertised vehicle price was not all-inclusive and the required additional fees were not described in a clear, truthful, legal and/or ethical manner. The Dealer thereby breached section 36(7) of O. Reg. 333/08, as well as sections 4(1), 4(2) and 9(3) of the Code of Ethics.

Katsambrokos' Non-Compliance

12. In regard to the 2021 Kia Soul, Katsambrokos engaged in the trade of a vehicle in a manner that is contrary to sections 4(1), 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 Katsambrokos personally contravened sections 6(2) and 9(3) of the Code of Ethics.

Dealer's Non-Compliance

Misleading Advertising

13. On or about February 24, 2025, a representative of the Registrar conducted a review of the Dealer's motor vehicle advertisements as published on its website.
14. As a result of the review, it was discovered that the Dealer published motor vehicle advertisements which included a statement, located in the fine print near the bottom of the advertisement, as follows:

"2019-2024 vehicles may be daily rentals. Please inquire with our team for more details."
15. As such, the Dealer's advertisements did not disclose – whether the vehicles were former daily rentals – in a clear, comprehensible and prominent manner nor in a clear, truthful, legal and/or ethical manner. The Dealer thereby breached section 36(5) of O. Reg. 333/08, as well as sections 4(1), 4(2) and 9(3) of the Code of Ethics.

Lebada's Non-Compliance

16. In regard to all of the above, Lebada, as the 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 4(1), 4(2), 6(2) and 9(3) of the Code of Ethics.

Code of Ethics Violations

17. As particularized above, the Dealer, Katsambrokos, and Lebada have violated the following sections of the Code of Ethics:

Disclosure and marketing

s. 4(1) A registrant shall be clear and truthful in describing the features, benefits and prices connected with the motor vehicles in which the registrant trades and in explaining the products, services, programs and prices connected with those vehicles.

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.

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.

18. As particularized above, Katsambrokos and Lebada 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

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 sections 4(1), 4(2) and 9(3) of the Code of Ethics; Lebadia has sections 4(1), 4(2), 6(2) and 9(3) of the Code of Ethics and Katsambrokos has breached sections 4(1), 4(2), 6(2) and 9(3) of the Code of Ethics.

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

Reasons for Decision

1. 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.¹ 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 the offenders. Dealing with the last of these first, there is an education requirement the personal applicant that, it is hoped, will educate and encourage regulatory compliance in the future.
2. In considering the administrative penalty, the Reviewing Panel notes that there are two impugned transactions: one involving a breach of the all-in pricing regulations and second concerning misleading advertising. In mitigation, we note that the Applicants have accepted responsibility for their actions as evidenced by entering into an agreed statement of facts and joint submission on penalty. This is also the first appearance before the Discipline Tribunal.
3. Taking all of the factors into account, the Reviewing Panel finds that the proposed penalty of \$4,000 does not conflict with other penalties imposed by the Discipline Tribunal in similar cases. We were referred to several cases involving a single breach of the all-in pricing regulations: *Holiday Ford Lincoln Ltd. et al* (penalty of \$2,500), *Olympic Motors (On) II Corporation o/a Auto Value Hyundai et al* (penalty of \$2,800), and *2198757 Ontario Limited o/a Autobase et al* (penalty of \$2,500).
4. The present matter is distinguished by the addition of a misleading advertisement, such that the administrative penalty should be higher than for a single all-in pricing breach. We find that a penalty of \$4,000 is sufficient to signal to the industry that breaches of the regulations regarding advertising and all-in pricing are serious offences and will draw significant sanctions.
5. The Reviewing Panel is satisfied that the agreed upon penalty satisfies the sentencing principles of specific and general deterrence, maintains public trust, meets the objectives

¹ *R. v. Anthony Cook* (2016) SCC 43, *Timothy Edward Bradley v. Ontario College of Teachers*, 2021 ONSC 2303

of rehabilitation and remediation, 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.

Ontario Motor Vehicle Industry Council
Discipline Tribunal

Dated: December 29, 2025



Greg Flude, Public Member

On behalf of:
Mike Ball, Registrant Member
Joe Malfara, Registrant Member