



**Citation: Leon's Fine Cars Inc. and Lev Babekov v. Registrar, *Motor Vehicle Dealers Act, 2002*, 2026 ONLAT 17136**

**Licence Appeal Tribunal File Number: 17136/MVDA**

In the matter of an appeal from a Notice of Proposal to Revoke Registrations issued by the Registrar pursuant to the *Motor Vehicle Dealers Act, S.O. 2002, c. 30, Sch. B*

Between:

**Leon's Fine Cars Inc. and Lev Babekov**

**Appellants**

And

**Registrar, *Motor Vehicle Dealers Act, 2002***

**Respondent**

**DECISION**

**ADJUDICATOR:**

**Rebecca Hines**

**APPEARANCES:**

For the Appellants:

Justin Jakubiak, Counsel

For the Respondent:

Rishi Nageshar, Counsel

**Held by videoconference:**

**March 3 and 4, 2026**

## BACKGROUND

- [1] This is an appeal of the Notice of Proposal (“NOP”) issued by the Registrar, *Motor Vehicle Dealers Act, 2002* (the “Registrar”) on May 6, 2025, to revoke the registrations of Lev Babekov (“Babekov”) and Leon’s Fine Cars Inc. (the “dealership”) (collectively referred to as the “appellants”) as a motor vehicle salesperson and motor vehicle dealership. The Registrar issued two subsequent Notice of Further and Other Particulars dated November 13, 2025, and February 21, 2026.
- [2] Babekov has been registered as a motor vehicle salesperson since April 2002 and is the sole officer and director of the dealership under the *Act* and is responsible for overseeing the day-to-day operations of the dealership’s business. The dealership has also been registered since 2002.
- [3] The matter proceeded to a two-day videoconference hearing. On behalf of the Registrar, I heard the testimony of Chris Burke (“Inspector Burke”), Inspector with the Ontario Motor Vehicle Industry Council (“OMVIC”), and Marc Riolo (“Riolo”), Detective Constable with the Toronto Police Service (“TPS”). Babekov testified on behalf of the appellants, as did Jamsheed Jaffery (“Jaffery”) and Inna Gold (“Gold”), who are both return customers of the dealership.

## ISSUES IN DISPUTE

- [4] I have been asked to decide the following issues:
  - i) Whether the past conduct of Babekov afford reasonable grounds for belief that he will not carry on business in accordance with the law and with integrity and honesty, thereby disentitling him to registration pursuant to s. 6(1)(a)(ii) of the *Act*?
  - ii) Does the past conduct of Babekov as the sole officer and director of the dealership afford reasonable grounds for belief that the dealership’s business will not be carried out in accordance with the law and with integrity and honesty thereby disentitling it to registration pursuant to s. 6(1)(d)(iii) of the *Act*?
  - iii) Whether the appellants are in breach of a condition of their respective registrations and therefore, are also disentitled to registration pursuant to section 6(1)(f) of the *Act*?
  - iv) If I find that the appellants are disentitled to registration then I must determine whether to direct the respondent to carry out its NOP or

whether to substitute my opinion for that of the Registrar by attaching terms and conditions to the registrations.

## RESULT

- [5] The Registrar has established that the past conduct of the appellants affords reasonable grounds for belief that the appellants will not carry on business in accordance with the law and act with honesty and integrity. I do not find that the public interest can be adequately protected by ordering an alternative penalty to revocation and by attaching terms and conditions to the licence. I therefore direct the Registrar to carry out its NOP to revoke the registrations of the appellants under the *Act*.

## PROCEDURAL ISSUE

- [6] The appellants requested that volumes 6 and 7 of the Registrar's Document Brief be excluded or given limited weight because they were both served after the deadline set out in the Tribunal's case conference report and order. The appellants argue that they are prejudiced by the late service of this evidence. Alternatively, the appellants request that an adjournment be granted so that they have additional time to review the records in order to respond. The Registrar submits that they recently served these records because it is part of their disclosure obligations. The Registrar advised that it does not intend to rely on these records.
- [7] I find it unnecessary to address this issue further because the Registrar did not rely on any of the records that were served late. As a result, the appellants were not prejudiced because this decision does not turn on any of the late served records.

## ANALYSIS

**I find that the past conduct of Babekov affords reasonable grounds for belief that he will not carry on business in accordance with the law and with integrity and honesty.**

- [8] Under s. 6(1)(a)(ii) and s.6(1)(d)(iii) of the *Act*, the onus is on the Registrar to prove that the past conduct of the appellants affords reasonable grounds for belief that they will not carry on business in accordance with the law and with integrity and honesty. The standard of "reasonable grounds for belief" was set out by the Court of Appeal in *Ontario Alcohol and Gaming Commission of Ontario v. 751809 Ontario Inc. (Famous Flesh Gordon's)*, 2013 ONCA 157 (CanLII). The Registrar does not have to show that the appellants' past conduct makes it more likely than not that the business will not be carried out as required, but only that its belief to that effect is based on more than mere suspicion and on compelling and credible information. Further, the Registrar must also show that there is a

nexus between the past conduct and the appellants' ability to conduct business under the *Act* serving the interests of the public.

- [9] The Registrar argues that it has shown reasonable grounds for belief based on the allegations outlined in its NOP and Notice of Further and Other Particulars. The allegations stem from the transfer of ownership of six luxury vehicles (allegedly revinned vehicles) to the dealership which had either been exported out of the country and/or had been reported stolen. The Registrar submits that when one of the vehicles was seized by the police in late January 2024, Babekov furnished and falsified documents by transferring the ownership of all six vehicles back into the names of the original owners. In addition, the appellants also breached several terms and conditions attached to their registration. The Registrar maintains that the appellants have not carried on business in accordance with the law and with honesty and integrity.
- [10] The appellants submit that the context leading up to the transfer of the ownership of the six vehicles is important. The appellants argue that Babekov did not know that the vehicles transferred into the dealership's name had been revinned or were not legitimate vehicles. Instead, the appellants maintain that Babekov is a victim of fraud who was doing a favour for a friend. In addition, the appellants assert that Babekov has taken responsibility for his actions because he pleaded guilty to several *Provincial Offence Act* ("POA") charges and agreed to pay heavy fines both personally and on behalf of the dealership. Finally, the appellants argue that prior to the NOP being issued both Babekov and the dealership had a 24-year unblemished history with no disciplinary proceedings, consumer complaints or non-compliance with the *Act*. The appellants argue that this unblemished history should be taken into consideration and that revocation of the appellants' registrations is the most severe penalty and is unwarranted in this case. The appellants maintain that the most appropriate penalty would be to impose terms and conditions to their registrations.

*Non-compliance with s. 27 of the Act*

- [11] Section 27 of the *Act* requires that no registrant shall falsify or induce another person to falsify any information or furnish any deceptive information or document relating to a trade of a vehicle.
- [12] I find that Babekov furnished and falsified documents regarding the trade of six motor vehicles. The allegations set out in the NOP regarding what happened with each vehicle are similar. Prior to transferring the ownership of each of the six vehicles to the dealership, someone had applied to the Ministry of Transportation ("MTO") for a replacement permit on behalf of the original owner by submitting a false letter of authorization. Then, after the replacement permit was issued for all six vehicles, ownership was then transferred into the name of dealership. I find

the evidence relied upon by the Registrar clearly establishes that the application for the transfer of ownership of these vehicles was falsified because four of the vehicles had been exported out of the country prior to the transfer of ownership to the dealership. I find the information on the documents submitted to the MTO was falsified to pass off fictitious vehicles for vehicles that had been exported out of the country or reported stolen. Further, after the TPS seized one of the vehicles on February 24, 2024, I find that Babekov attended the MTO and furnished and falsified document submitted to the MTO by transferring the ownership of all the vehicles back to the original owners. I find that Babekov furnished and falsified the documentation by forging the signatures of the original owners on the paperwork submitted to the MTO. The following summarizes what occurred with each vehicle.

- i) 2022 Mercedes Benz G63 (VIN: 4408): On January 22, 2024, the ownership of this vehicle was transferred to the dealership. A bill of lading supports that this vehicle was exported to South Korea by the original owner on January 29, 2023, which establishes that the application to obtain ownership submitted by the dealership to the Ministry of Transportation (“MTO”) was false. The vehicle was seized by the TPS and an investigation confirmed that this vehicle was stolen from a residential break-in and had a different VIN#. On February 29, 2024, Babekov applied to the MTO to transfer the ownership back to the original owner. On July 18, 2024, a search warrant was executed at the dealership and Babekov denied having any documentation regarding this vehicle.
- ii) 2021 Lamborghini Urus (VIN: 4640): On January 22, 2024, the ownership of this vehicle was transferred to the dealership. A bill of lading supports that this vehicle was exported to Dubai by the original owner. On February 29, 2024, the vehicle was transferred out of the dealership’s name back to the original owner. On July 18, 2024, a search warrant was executed and Babekov denied having any documentation regarding this vehicle.
- iii) 2010 Bentley GTS (VIN: 2718): On January 2, 2024, the ownership of this vehicle was transferred to the dealership. This vehicle had been exported to Norway on November 12, 2020. On February 29, 2024, the vehicle was transferred out of the dealership’s name back to the original owner. Babekov denied having any documentation regarding this vehicle during OMVIC’s search warrant.
- iv) 2020 Porsche 842 (VIN: 6416): On January 2, 2024, the ownership of this vehicle was transferred to the dealership. On February 29, 2024, the vehicle’s ownership was transferred back to the original owner. Babekov denied having any documentation regarding this vehicle during OMVIC’s search warrant.

- v) 2022 Ford F-350 (VIN 3286): On October 25, 2023, the ownership of the vehicle was transferred to the dealership and then transferred to Babekov personally the next day. On August 15, 2023, this vehicle had been exported to Israel. On February 29, 2024, the vehicle was transferred back to the original owner.
  - vi) 2023 Dodge Ram (VIN 3486): On January 2, 2024, the ownership of this vehicle was transferred to the dealership. On February 29, 2024, ownership of the vehicle was transferred back into the name of the original owner.
- [13] Inspector Burke testified extensively about his investigation into the transaction history of the six vehicles, and he went through the MTO registration documents, the applications for replacement permits, the transfer of ownership of the vehicles into the dealership's name and then the appellants' retransfer of the vehicles back into the names of the original owners at MTO in February 2024. These documents also establish that there was a discrepancy in the kilometres listed for the vehicles on MTO's registration history compared to the kilometres listed when ownership was transferred to the dealership. In addition, many of the vehicles had been rewrapped meaning the original colour from when they were manufactured had changed to another colour prior to ownership being transferred to the dealership. However, when the appellants transferred the ownership of the vehicles back to the original owners in February 2024, the original kilometres were placed back onto the ownership documents. These facts, along with the fact that the vehicles had been exported out of the country and could not have been sold to the appellants led Inspector Burke to believe that the six vehicles transferred into the dealerships name were revinned stolen vehicles. Overall, I find Inspector Burke's testimony about what occurred with these six vehicles persuasive because it was consistent with the MTO registration history and documents relied upon.
- [14] Babekov testified that he was a victim of fraud by Mykhailo Zgurskiy ("Zgurskiy"), a former employee who had worked for the dealership for six months in 2008, who had been terminated for poor attendance. Babekov testified that when Zgurskiy had worked for him, he had lent Zgurskiy \$2000 to save his pet's life. Babekov testified that in 2022, Zgurskiy unexpectedly showed up at the dealership with a gift and expressed his thanks to Babekov for saving his pet's life several years prior. Zgurskiy told him that he had become very rich by selling real estate and had a dealership of his own in Ottawa which had burnt down but he still had many contacts with vehicle wholesalers.
- [15] Babekov testified that he and Zgurskiy became close friends and their families would get together to socialize and they would watch each other's pets while the

other was on vacation. Babekov testified that he agreed to transfer the ownership of the above six vehicles into the dealership's name as a favour for Zgurskiy to save him from having to pay HST on the vehicles and money on insurance because the vehicles would be covered under the dealership's general policy. Babekov testified that Zgurskiy wanted to drive these vehicles for pleasure so they were fixed with white plates as opposed to dealership plates. During cross-examination, Babekov acknowledged that putting white plates on the vehicles made it less likely that they would be pulled over by the police. Babekov testified that he trusted Zgurskiy because he had been to his home on The Bridle Path for celebrations, so he believed that he had the money to afford all of these vehicles.

- [16] Babekov testified that neither he nor the dealership made any financial benefit from transferring the vehicles into the dealership's name, and he never advertised the vehicles for sale, and they were not kept on the dealership's lot. However, he acknowledged during cross-examination that he expected to get a commission when Zgurskiy sold the vehicles. Babekov also testified that prior to the vehicles being transferred into the name of the dealership he personally inspected the vehicles and the VIN#s and kilometres of the vehicles matched what was on the ownership. Babekov testified that he never received bills of sale for these vehicles and after one of the vehicles was seized by police, he panicked and went to the MTO and transferred the title of all of the vehicles back into the names of the original owners. He also conceded that prior to the vehicles being transferred to the dealership, he never contacted any of the owners to verify the sales. Babekov acknowledged during his testimony that he was wrong when he transferred the ownership back to the original owners at MTO, but he realized that something was wrong with the vehicles and did not want to be held responsible.
- [17] A Notice of Further and Other Particulars issued by the Registrar on February 21, 2026, attaching an agreed statement of facts confirmed that both appellants pleaded guilty to numerous *POA* charges pertaining to all six vehicles. The appellants conceded that they furnished and falsified documents contrary to s. 27 of the *Act* and failed to maintain records pursuant to s. 53(4) of the regulation.
- [18] I find the fact that Babekov pleaded guilty to the *POA* charges (coupled with the evidence in this hearing) establish that there are reasonable grounds to believe that he will not carry on business in accordance with the law or with integrity and honesty. I also do not find Babekov's version of events with respect to how Zgurskiy came back into his life and why he transferred title of these vehicles into the dealership's name convincing. I find that it is not worthy of belief that Babekov would trust without question, a former employer who had been fired for poor performance after six months with the transfer of vehicles worth hundreds of thousands of dollars. I also find it perplexing that Babekov, who has worked in the industry for 24 years, would transfer the title of several high-end vehicles into

the dealership's name without obtaining the bills of sale or verifying the sales with the owners/sellers. I also find Babekov is a sophisticated party with years of experience in the industry, which is another reason why I do not find his narrative convincing.

- [19] In addition, I do not find Babekov's explanation that the vehicles were transferred into the dealership's name to save Zgurskiy money on car insurance and HST persuasive. Babekov had only known Zgurskiy for six months prior to 2022, and had not seen him for 10 years and there is no reason for why Babekov would owe Zgurskiy that kind of favour. Consequently, I find that there is no reason why the dealership would need to take ownership of these vehicles in order to give Zgurskiy a break on paying HST or car insurance.
- [20] Further, I find that by agreeing to this favour Babekov was defrauding the CRA and insurance company which is breaking the law. During cross-examination he was asked whether he felt it was okay to "defraud" the government and insurance company HST and insurance revenue, and he responded that this was okay. I find his answers to this questions undermine the value of his testimony. Even if I believed his rationale for why he agreed to transfer the ownership of the vehicles into the dealership's name, his purpose for doing so was unlawful and dishonest, which also supports his willingness to break the law and not act with honesty and integrity. I find it more likely than not that Babekov agreed to take ownership of the six vehicles for some other self-serving purpose. For these reasons, I do not find Babekov's testimony credible.
- [21] I find that Babekov did not exercise due diligence by ensuring that the vehicles that were transferred into the dealership's name were legitimate because there were red flags such as discrepancies in the kilometric readings and colour of the vehicles in MTO's registration history. Despite these red flags, I find that Babekov did not take any steps to contact the original owners to verify the sales. Moreover, Babekov could not produce the deal files or the bills of sale, and I also find his testimony about the bills of sale inconsistent. For example, his testimony shifted from saying he never received the bills of sale to saying he saw them and had them at one point and then he stated that Zgurskiy took them without providing any explanation for how. It also makes little sense that if he verified the kilometres when he inspected the vehicles that he would enter the vehicle's original kilometres when he transferred the vehicle's ownership back to the original owners in February 2024.

#### Non-Compliance with s. 53(4) of Regulation 333/08

- [22] Section 53(4) of the Regulation states that a registered dealer is required to maintain the records mentioned in clause (1) (a), (b), (c), (e), (f), (h) or (i)

including copies of bills of sale and other documents pertaining to the transfer of a motor vehicle.

- [23] I find that Babekov did not comply with s. 53(4) of the Regulation because to date he has not produced the deal files (including the bills of sale) for any of the six vehicles transferred into the dealership's name in response to OMVIC's search warrant. Further, as highlighted I find his testimony about the bills of sale inconsistent and unpersuasive.
- [24] Burke testified that in July 2024, he attended the dealership's premises to execute a search warrant and Babekov denied having any involvement regarding the transfer of the vehicles and did not produce any records. Babekov testified that he was in shock when OMVIC showed up at the dealership and panicked because he did not have any paperwork. He acknowledged that he did not want to answer any questions because he needed to seek legal advice. Babekov testified that he later contacted OMVIC in August 2025 and provided a statement and provided the contact information for Zgurskiy along with two other individuals who were involved in the fraudulent transactions. While I can appreciate Babekov's right to seek legal advice, I find it clear that Babekov did not comply with s. 53 (4) of the Regulation because he did not retain bills of sale or any of the other required documents when the ownership of the six vehicles were transferred into the dealership's name.
- [25] For the above-noted reasons, I find the Registrar has met its onus in proving that Babekov will not carry on business in accordance with the law and with honesty and integrity. Moreover, I find there is a clear nexus between his past conduct as a motor vehicle salesperson to the conduct of business under the *Act because* he did not follow the law in regard to the trade of motor vehicles. I find that because the Registrar has proven that Babekov will not carry on business in accordance with the law, and with honesty and integrity this disentitles him to registration.

**The past conduct of Babekov as the sole officer and director of the dealership affords reasonable grounds for belief that the dealership's business will not be carried out in accordance with the law**

- [26] Under s. 6(4) of the *Act*, a person is deemed to be an interested person in respect of another if the person is associated with the other person or if the person exercises or may exercise control either directly or indirectly over the other person, which includes a corporation. I find that Babekov and the dealership are interested persons in respect to one another because Babekov is the sole director of the dealership and exercises control over its day-to-day operations. I find that as an interested person in respect of the dealership that Babekov's conduct can be fixed to the dealership. As a result, I find that Babekov's past non-compliance with the law and my finding that he will not carry

on business in accordance with the law also disentitles the dealership to registration.

**The appellants are in breach of a condition of their respective registrations and therefore, are also disentitled to registration pursuant to section 6(1)(f) of the Act.**

[27] The Notice of Further and Other Particulars alleges that the appellants breached terms and conditions which were signed on April 24, 2002, and attached to their registration. In particular, the Registrar submits that the appellants have breached the following:

*(Condition 3): The Dealer agrees to maintain a garage register in accordance with the Highway Traffic Act and will maintain all books and records as required by the Motor Vehicle Dealers Act. The Dealer further agrees to provide free access to the books and records of the Dealer to any authorized representative of the Registrar.*

*(Condition 4): The Dealer agrees that all books and records shall be kept at the Dealer's registered premise, and shall be available to an inspector or investigator appointed by the Registrar, at all reasonable times.*

*(Condition 11): The Dealer will not purchase a vehicle without ensuring that the vehicle is registered to the seller in the records of the Ministry of Transportation.*

*(Condition 14): The Dealer acknowledges and understands that its registration will not be used to buy or sell motor vehicles where the Dealer knows or ought to know that the purchase or sale of those motor vehicles will facilitate an illegal or unethical practice.*

*(Condition 17): The Dealer will comply with the Ontario Motor Vehicle Industry Council's Code of Ethics and Standards of Business Practice.*

[28] Based on the evidence before me, I find that the appellants breached several of the above terms and conditions attached to their registrations. They failed to maintain all books and records as per the Act, they failed to obtain deal files (including bills of sale or any other documents) for the six vehicles which were transferred to the dealership; they purchased all six vehicles without ensuring the vehicles were registered to the seller through MTO's records. Finally, I find that the appellants ought to have known that the six vehicles transferred into the dealership's name were not obtained lawfully. As a result, I find that the appellants breached the terms and conditions to their registrations which also disentitles the appellants to registration in accordance with s. 6(1) (f) of the Act.

### Should registration(s) be granted with conditions attached?

- [29] The Tribunal has the statutory discretion under s. 9(5) of the *Act* to consider each appellant's circumstances and determine whether the public interest requires outright revocation of registration or whether the purpose of the *Act* can be adequately protected through granting registration with conditions.
- [30] The *Act* has two broad purposes: first, to provide protection to consumers; and second, to promote professionalism amongst dealers and salespeople within the automobile industry and it is also meant to protect dealers.
- [31] The respondent argues that terms and conditions are not appropriate in this case because of the seriousness of their past conduct and non-compliance with the law.
- [32] In support of its position that revocation of the appellants' registrations is the appropriate remedy, the respondent relies on the decision of the Divisional Court in *Prestige Toys Ltd. v. Registrar, Motor Vehicle Dealers Act, 2009*, CanLII 43657 (ON SCDC) where the court stated that "conduct does not require evidence of deceit or even of wilful blindness. It includes any act or omission or course of behaviour that affords reasonable grounds to believe that the business will not be carried on in accordance with law, honesty and integrity." The respondent submits that in this case Babekov ought to have known that the vehicles that were transferred into the dealership's name were not legitimate and displayed wilful blindness by ignoring same.
- [33] The appellants argue that revocation of a registration should only be considered in the most severe circumstances. They have a 24-year unblemished history as a salesperson and dealership in the industry. The appellants rely on this Tribunal's decision in *11248 v. Registrar of Alcohol, Gaming and Racing, 2018* CanLII 117012 (ON LAT) ("*Kyron*"), which was upheld by the Divisional Court at 2019 ONSC 5039. In this decision, the adjudicator placed significant weight on the fact that the appellant had a clean record in deciding not to revoke the registrant's licence.
- [34] The appellants also submit that I should consider imposing terms and conditions, or a suspension as opposed to directing the Registrar to carry out the NOP revoking their registrations. Such terms and conditions could include OMVIC retraining or hiring an OMVIC compliance auditor. The appellants relied on this Tribunal's decision in *Amit Khosla v. Registrar, Motor Vehicle Dealers Act, ("Khosla") 2002 ONLAT MVDA 12337, 2020* CanLII 27460 (ONLAT) where the adjudicator found terms and conditions were appropriate over revocation. The appellants also assert that they have taken responsibility because they pleaded guilty to the POA charges and paid hefty fines.

[35] Babekov testified that he would be willing to agree to terms and conditions on his registration such as hiring a compliance consultant to monitor and ensure compliance with the *Act*. He would also agree to a term and condition prohibiting the appellants from falsifying documents. If something like this ever happens again, he will contact OMVIC and the police. It was a mistake to trust Zgurskiy, and he has learned his lesson. He has been in the business for 24 years and has a good reputation and this is his source of income. I also heard the testimony from Jaffery and Gold, who are return customers of the appellants. Both testified that they have known Babekov for over 10 years and have bought several vehicles from him and have had nothing but positive experiences. In addition, both customers were also aware of the allegations against the appellants in this matter and do not have any concerns about him not operating in accordance with the law in the future.

[36] I find that revocation of the appellants' registrations is the appropriate penalty in this case for the following reasons:

- i) First, I find the fact that the appellants pleaded guilty in the *POA* proceeding and agreed to pay fines is not taking responsibility in this case because that was a separate proceeding which the appellants would have had to take responsibility for anyway. Further, pleading guilty to *POA* charges does not preclude revocation of registration under the *Act*.
- ii) Second, I have considered the length of time the appellants have been in business. The appellants submit that they have a 24-year unblemished history. However, I note that this is not accurate because the appellants were previously involved in an OMVIC proceeding for failing to return a customer deposit in 2022, and the appellants agreed to pay a fine and take the OMVIC course. I also find that this case is distinguishable from the facts in *Kyron* because the Tribunal found no connection or nexus between the criminal charges arising from the registrant's operation of a chemical company to his operation within the horse racing industry. In this case, I find there is a direct nexus to the appellants' business as a motor vehicle salesperson and dealership. The adjudicator also determined that the registrant showed remorse in *Kyron*, whereas in this case Babekov maintains he was an innocent dupe. In this case, I find that Babekov exhibited wilful blindness in that he either knew or ought to have known that the six vehicles transferred into the dealership's name were not legitimate. I also find the scenario in *Khosla* distinguishable because the adjudicator determined that despite the registrant breaching the *Act* and regulations, they genuinely believed that they were complying with the law. In this case, for the reasons noted above, I find Babekov to be disingenuous.

- iii) Third, I reject the appellants' argument that there was no consumer harm in this case because one of the vehicles that was seized by police turned out to be stolen in a residential break in. I conclude that consumer harm is evident when vehicles are stolen from consumers. Further, none of the vehicles transferred into the dealership's name were legitimate vehicles.
- iv) Finally, I have considered the appellants' history and the positive experiences of Jaffery and Gold, both return customers of the appellants who testified that they have had nothing but amazing experiences with Babekov and the dealership. I find that terms and conditions are not appropriate to protect the public interest in a well-regulated motor vehicle sales industry. I find that despite the fact that Babekov had recently taken OMVIC training in 2022 (prior to the incidents which resulted in this NOP), this did not result in him to complying with the *Act* and Regulation. As highlighted above, I did not find Babekov's testimony to be credible and determined that he has not carried on business in accordance with the law with honesty and integrity. In addition, he testified that he thinks it is acceptable to defraud the government and insurance companies to save an acquaintance money. I find the fact that he thinks that this is an ethical practice demonstrates a lack of insight and honesty and integrity in operating his business. As a result, I find that to allow the appellants to continue to carry on business to be a risk to the public.

[37] For the above-noted reasons, I find that the public interest cannot be adequately protected with terms and conditions.

### **ORDER**

[38] For the reasons set out above, pursuant to s. 9(5) of the *Act*, I direct the Registrar to carry out the NOP to revoke the registrations of the appellants.

**Released:** April 13, 2026



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**Rebecca Hines  
Adjudicator**