

SENT VIA E-MAIL

DISCIPLINE TRIBUNAL OF THE ONTARIO MOTOR VEHICLE INDUSTRY COUNCIL

**IN THE MATTER BEFORE THE DISCIPLINE TRIBUNAL HELD PURSUANT TO THE
*MOTOR VEHICLE DEALERS ACT, 2002, S.O. 2002, c.30, Sch. B***

TO: Lotus Wheels Ltd.
117 Kennedy Road South
Brampton, ON
L6W 3G3

AND TO: Maninder Singh

AND TO: Saminder Singh Chana

NOTICE OF REFERRAL TO DISCIPLINE TRIBUNAL

Take notice that pursuant to section 14(4) 4 of the *Motor Vehicle Dealers Act, 2002*, (the "Act"), the Registrar has referred the complaint(s) against Lotus Wheels Ltd., Maninder Singh, and Saminder Singh Chana to the Discipline Tribunal for alleged violations under the Code of Ethics, as set out in Ontario Regulation 332/08.

REASONS

Section 17 of the Act establishes a Discipline Tribunal and empowers the Discipline Tribunal to hear and determine issues concerning alleged breaches of the Code of Ethics. The Code of Ethics applies to all Registrants registered under the Act. Any Registrants that disregard or violate the Code of Ethics are subject to having their conduct reviewed by the Discipline Tribunal. The Code of Ethics requires that all Registrants conduct business with Integrity, Accountability, Compliance, Respect and Professionalism as well as ensuring that requirements are met when it comes to Disclosure and Marketing and the Disclosure of Information in Sale and Lease Contracts.

PARTICULARS

The reasons for this Notice are:

Background

1. Lotus Wheels Ltd. ("the Dealer") was first registered as a motor vehicle dealer under the Act in and around January 2016. It is currently registered.
2. Maninder Singh ("Singh") was first registered as a salesperson under the Act in and around May 2012. At all material times, Singh has been a Director and Person in Charge of the day-to-day activities of the Dealer.
3. Saminder Singh Chana ("Chana"), also known as "Ricky", was first registered as a salesperson under the Act in and around May 2008. At all material times, Chana has been a Director of the Dealer.

Terms and Conditions

4. On or about November 19, 2015, Chana, on behalf of the Dealer, consented to Terms and Conditions of Registration (the "T&Cs"). The T&Cs define the "Registrant" as the Dealer and included the following conditions:
 1. The Registrant will comply with all requirements of the MVDA and Ontario Regulation 333/08, the *Code of Ethics* in Ontario Regulation 332/08, the Ontario Motor Vehicle Industry Council ("OMVIC") Standards of Business Practice, 2010 and OMVIC Guidelines, as may be amended from time to time. The Registrant further agrees to read all correspondence and bulletins from OMVIC as released.
 11. 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.
 17. The Registrant will 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 section 4 of Ontario Regulation 332/08, where applicable.
 18. The Registrant will disclose all material facts about the motor vehicles for purchase or lease to its customers. The Registrant further agrees that notwithstanding whether or not the Registrant considers a fact to be material, the Registrant will comply with the disclosure obligation. The Registrant further agrees to disclose all material facts on the Bill of Sale, in writing. The Registrant will ensure compliance with the disclosure obligation 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 or lease the vehicle or affect the purchase price. In the case of damaged vehicles, the Registrant further agrees to disclose as much detail as possible regarding the nature and severity of the damage. The Registrant undertakes to research the history of all the motor vehicles under trade to ensure all material facts are disclosed.
 24. The Registrant will maintain a trust account, in respect of any deposits made in excess of \$10,000 or any funds in relation to motor vehicles sold on consignment on the behalf of a consumer, pursuant to section 58 of Ontario Regulation 333/08. The Registrant agrees to provide written confirmation to the Registrar, within five

days, that a trust account has been established in the Registrant's business name at its financial/banking institution.

Reminders to Comply

5. A representative of the Registrar conducted a remote inspection of the Dealer's books and records between around March 2021 and June 2021. During a meeting on or about June 30, 2021, the Registrar's representative reminded the Dealer and Singh to comply with their disclosure obligations in writing on bills of sale, pursuant to s. 42 of O. Reg. 333/08 and the Code of Ethics.
6. The Registrar issued a formal caution letter to the Dealer on or about August 8, 2022, reminding the Dealer and Singh to comply with their disclosure obligations in writing on bills of sale, pursuant to s. 42 of O. Reg. 333/08 and the Code of Ethics.
7. During an inspection on or about April 4, 2023, a representative of the Registrar reminded the Dealer and Singh to comply with their disclosure obligations in writing on bills of sale, pursuant to s. 42 of O. Reg. 333/08 and the Code of Ethics.
8. The Registrar issued a formal warning letter to the Dealer on or about January 30, 2024, reminding the Dealer and Singh to comply with their disclosure obligations in writing on bills of sale, pursuant to s. 42 of O. Reg. 333/08 and the Code of Ethics.
9. During an inspection on or about October 1, 2024, representatives of the Registrar reminded the Dealer and Singh to comply with their disclosure obligations in writing on bills of sale, pursuant to s. 42 of O. Reg. 333/08 and the Code of Ethics.
10. During a meeting on or about January 8, 2025, a representative of the Registrar reminded the Dealer to comply with its disclosure obligations in writing on bills of sale, pursuant to s. 42 of O. Reg. 333/08 and the Code of Ethics.
11. During an inspection on or about August 19, 2025, a representative of the Registrar reminded the Dealer and Singh to comply with their disclosure obligations in writing on bills of sale, pursuant to s. 42 of O. Reg. 333/08 and the Code of Ethics.
12. On or about December 30, 2025, a representative of the Registrar sent an email to the Dealer, reminding the Dealer to comply with its disclosure obligations in writing on bills of sale, as well as its obligation to provide representatives of the Registrar with any documents requested in the course of an inspection, pursuant to s. 42 of O. Reg. 333/08, s. 15(4) of the Act, and the Code of Ethics.

Dealer's Non-Compliance

13. On or about March 9, 2026, representatives of the Registrar attended the Dealer's premises for a scheduled books and records inspection. During the inspection, it was found that the Dealer engaged in the trade of 3 motor vehicles that contravened the Act and/or its Regulations, while also failing to deposit payments greater than \$10,000 into a trust account. In addition, the Dealer also failed to comply with a request for missing documents. The details are particularized below.

A. 2008 Toyota Camry: Non-disclosure of Material Facts

14. On or about February 27, 2026, Singh, on behalf of the Dealer, sold a 2008 Toyota Camry (VIN# *225761) to a consumer. The Dealer failed to disclose on the retail bill of sale ("RBOS") that there has been structural damage to the motor vehicle, contrary to s. 42(10) of O. Reg. 333/08 and paragraphs 1, 17, and 18 of the T&Cs.

B. 2011 Honda Civic: Non-disclosure of Material Facts

15. On or about February 27, 2026, Singh, on behalf of the Dealer, sold a 2011 Honda Civic (VIN# *002508) to a consumer. The Dealer failed to disclose on the RBOS that the vehicle's manufacturer's warranty had been cancelled and that it had been declared as a total loss, contrary to s. 42(20) and (21) of O. Reg. 333/08 and paragraphs 1, 17, and 18 of the T&Cs.

C. 2021 Lamborghini Urus: Failure to Deposit Funds in Trust Account

16. On or about December 23, 2025, the Dealer agreed to purchase a 2021 Lamborghini Urus (VIN# *A31812) from an insurance company, through a third-party dealer (the "Third-Party dealer"), at a total price of \$226,463.07, and received a wholesale bill of sale for this purchase.
17. On or about December 31, 2025, the Dealer made a partial payment of \$1,463.07 to the Third-Party dealer for the purchase of the vehicle.
18. On or about January 7, 2026, the Dealer received two deposits of \$55,000 and \$75,000 from one source ("Source A") and a deposit of \$60,000 from another source ("Source B") to the Dealer's non-trust bank account. On or about January 8, 2026, the Dealer received a deposit of \$30,000 from Source A to the same bank account. These deposits totalled to \$220,000.
19. On or about January 9, 2026, the Dealer obtained a bank draft for the amount of \$225,000, payable to the Third-Party Dealer. The money was obtained from the Dealer's bank account, and the Dealer paid a fee of \$9.95 to its financial institution for the bank draft.
20. On or about February 27, 2026, Chana, on behalf of the Dealer, sold the 2021 Lamborghini Urus to a corporation, at a price of \$202,072 plus tax and licensing, for a total of \$228,391.
21. During the inspection on or about March 9, 2026, the Dealer advised the Registrar's representatives it had purchased this vehicle for a relative of Singh and Chana, and that this relative had transferred the money to the Dealer.
22. As the deposits totalling to \$220,000 were for the purpose of purchasing the 2021 Lamborghini Urus, the Dealer's failure to deposit these funds to a trust account is a contravention of s. 25(b) of the Act, s. 58(4) of O. Reg. 333/08, and paragraph 24 of the T&Cs. The Dealer thereby violated s. 9(1) of the Code of Ethics.

D. 2018 Ford F-350: Non-disclosure of Material Facts

23. On or about February 10, 2026, Chana, on behalf of the Dealer, sold a 2018 Ford F-350 (VIN# *886068) to a consumer. The Dealer failed to disclose on the RBOS that the vehicle had a repair record of \$7,088.72, contrary to s. 42(19) of O. Reg. 333/08 and paragraphs 1, 17, and 18 of the T&Cs.

E. Failure to Comply with Request for Missing Documents

24. During the inspection on or about March 9, 2026, the Dealer failed to locate and submit deal files concerning 6 vehicles that were requested by the Registrar's representatives. The Dealer advised the Registrar's representatives that these missing files were located with its accountant. The 6 vehicles are as follows:
- a. 2022 Toyota Corolla (VIN# *048397)
 - b. 2016 Ford Transit (VIN# *B13270)
 - c. 2011 Ford (VIN# *248403)
 - d. 2018 Ford (VIN# *B86068)
 - e. 2018 Toyota Prius (VIN# *068815)
 - f. 2016 Chevrolet (VIN# *195675)
25. On or about March 11, 2026, a representative of the Registrar emailed the Dealer, requesting the Dealer to submit the deal files concerning the 6 vehicles by March 18, 2026.
26. On or about March 13, 2026, the Registrar's representative called the Dealer to follow up on this request and requested the deal files to be submitted by March 18, 2026.
27. The Dealer failed to submit the deal files concerning the 6 vehicles by March 18, 2026.
28. On or about March 24, 2026, a representative of the Registrar emailed the Dealer, repeating the request and reminding the Dealer of its obligation under s. 15(4) and (5) of the Act to produce these deal files.
29. On or about March 24, 2026, Chana, on behalf of the Dealer, emailed the 6 deal files to representatives of the Registrar for inspection.
30. The Dealer's failure to maintain a copy of these 6 deal files on its premises at the time of inspection on or about March 9, 2026, as well as its subsequent failure to provide these 6 deal files to the representatives of the Registrar by March 18, 2026, is a contravention of s. 56(2)(b) of O. Reg. 333/08, s. 15(4) and (5) of the Act, and paragraphs 1 and 11 of its T&Cs. The Dealer thereby violated s. 9(1) of the Code of Ethics.

Singh's Non-Compliance

31. In regard to the above-noted transactions of the 2008 Toyota Camry and 2011 Honda Civic, Singh failed to ensure that the RBOS was compliant with the Act and its regulations and thereby violated ss. 7(1) and 9(1) and (3) of the Code of Ethics.
32. By failing to respond to the request for information in a timely manner, or alternatively ensuring that Chana responded to the request in a timely manner, Singh failed to comply with s. 15(4) and (5) of the Act and thereby violated s. 9(1) of the Code of Ethics.

33. As a Director and Person in Charge of the day-to-day activities of the Dealer, Singh 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 ss. 6(2) and 9(1) and (3) of the Code of Ethics.

Chana's Non-Compliance

34. In regard to the above-noted transaction of the 2018 Ford F-350, Chana failed to ensure that the RBOS was compliant with the Act and its regulations and thereby violated ss. 7(1) and 9(1) and (3) of the Code of Ethics.
35. By failing to respond to the request for information in a timely manner, or alternatively ensuring that Singh responded to the request in a timely manner, Chana failed to comply with s. 15(4) and (5) of the Act and thereby violated s. 9(1) of the Code of Ethics.

The Registrant(s) may provide a written response to the particulars set out above to OMVIC within 15 days of service of this Notice to: legal_dept@omvic.on.ca

If the Discipline Tribunal makes a determination that a registrant has failed to comply with the Code of Ethics, it may order one or more of the following:

- A fine up to \$25,000 per party;
- Require the registrant to take further educational courses;
- If the registrant is a motor vehicle dealer, require the dealer to arrange and fund educational courses for salespersons employed by the dealer;
- Award costs.

This Notice of Referral to Discipline ("NORD") and decisions of the Discipline Tribunal may be published. Hearings before the Discipline Tribunal may be recorded and are open to the public.

The *Statutory Powers Procedure Act, R.S.O 1990 c.s.22*, applies to the hearing to be held by this Discipline Tribunal. A party to a proceeding may be represented by counsel or an agent.

The good character, propriety of conduct or competence of the Registrant(s) shall be an issue in any hearing before the Discipline Tribunal and reasonable information of allegations with respect thereto has been furnished.

The Rules of Practice of the Discipline Tribunal will apply and are available on OMVIC's website. A Notice of Hearing and disclosure will be provided in accordance with the Rules of Practice of the Discipline Tribunal.

Take note that as per the Rules of Practice, failure to attend a hearing before the Discipline Tribunal may result in a decision being determined *ex parte* (in your absence).

APPLICATION OF THE RULES OF PRACTICE OF THE DISCIPLINE TRIBUNAL

This is to serve notice that OMVIC may make application for its costs, pursuant to Rule 13 of the Rules of Practice.

FURTHER PARTICULARS/SUPPLEMENTAL NOTICE

The Registrar may provide further and other particulars in respect of any other matters herein or in respect to any other matter including further particulars of violations of the Code of Ethics.

DATED at Toronto, this 16th day of July, 2026



Maureen Harquail, KC, MPA, ICD.D.
Registrar, *Motor Vehicle Dealers Act, 2002*