

**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: Farhad Shahsamand o/a MG Auto Sale & Repair  
95 Kenhar Dr  
North York, ON  
M9L 1N5

**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 Farhad Shahsamand o/a MG Auto Sale & Repair 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. In and around November 2010, Farhad Shahsamand ("Shahsamand") was first registered as a motor vehicle dealer operating as MG Auto Sale & Repair (the "Dealer"). Shahsamand operates this business as a sole proprietorship. At all material times, Shahsamand has been the owner and Person in Charge of the day-to-day activities of the Dealer.

## Terms and Conditions

2. On or about November 8, 2010, the Dealer consented to Terms and Conditions of Registration (the "T&Cs"). The T&Cs define the "Registrant" as the Dealer. Paragraphs 6, 34, 37, and 40 of the T&Cs state the following:

6. The Registrant will comply with Ontario Regulation 332/08 under the Motor Vehicle Dealers Act, 2002 and Code of Ethics.

34. The Registrant agrees that it is under a positive obligation to disclose in writing on the bill of sale all material facts about the vehicles it sells or leases to its customers, whether or not the Registrant agrees with the disclosure and whether or not the vehicle has been branded through the Ministry of Transportation. Material facts include but are not limited to, disclosure of salvage, previous salvage, accidented and repaired, frame damage, theft recovery, unibody damage, previous taxi cab, previous police car, previous daily rental, previous limousines, emergency service vehicles, insurance write-off and any other material fact which, in the Registrar's opinion, may affect one's decision to purchase or lease the vehicle. In the case of damaged vehicles, the Registrant further agrees to disclose as much detail as possible with respect to the nature and severity of the damage. The Registrant agrees to make reasonable efforts to research the history of all the Registrants [*sic*] vehicles prior to sale to ensure all material facts are disclosed.

37. The Registrant agrees that it is under a positive obligation to disclose in writing on the bill of sale, the distance travelled of motor vehicles sold or leased in accordance with the Motor Vehicle Dealers Act 2002 and Regulations.

40. Without limiting the generality of the foregoing, the Registrant will ensure that all trades in motor vehicle [*sic*] are completed in accordance with sections 39, 40, 41, 42 and 43 of Ontario Regulation 333/08 where applicable and that any dealer-to-dealer trades meet the disclosure requirements set out in section 4 of the Code of Ethics.

## Reminders to Comply

3. During an inspection on or about October 8, 2020, a representative of the Registrar reminded the Dealer to comply with his disclosure obligations on bills of sale, pursuant to ss. 40 and 42 of O. Reg. 333/08 and the Code of Ethics.
4. During an inspection on or about October 24, 2024, a representative of the Registrar reminded the Dealer to comply with his odometer disclosure obligations on bills of sale, pursuant to s. 42(1) – (6) of O. Reg. 333/08 and the Code of Ethics.

## Dealer's Non-Compliance

5. On or about November 1, 2023, the Dealer purchased a 2019 Mercedes-Benz Sprinter (VIN# \*177114) from another dealer. The wholesale bill of sale ("WBOS") disclosed to the Dealer, among other things, that the vehicle's total distance driven is unknown, but as of October 24, 2023 it was believed to be 65,000 km. The total distance driven was believed to be higher than the distance indicated.

6. In addition, the WBOS indicated that the vehicle had been involved in two accidents, dated on or about June 27, 2021 (the “2021 Accident”) and February 23, 2023 (the “2023 Accident”). The 2021 Accident had an insurance repair estimate of \$8,648.55 and insurance claim of \$8,293. The 2023 Accident had an insurance repair estimate of \$53,650.93 and an insurance claim of \$62,163.
7. On or about August 15, 2025, the Dealer sold the vehicle to a consumer (the “Consumer”) for \$28,000 plus tax. On the retail bill of sale (“RBOS”), the Dealer failed to disclose the following information:
  - a. The vehicle’s total distance driven was unknown, but as of October 24, 2023 it was believed to be 65,000 km. The total distance driven was believed to be higher than the distance indicated.
  - b. The 2021 Accident, its repair estimate of \$8,648.55, and its insurance claim of \$8,293.
  - c. The 2023 Accident’s insurance claim of \$62,163. In addition, the Dealer incorrectly disclosed the insurance repair estimate as \$5,365.93, instead of \$53,650.93.
8. On or about February 24, 2026, the Consumer filed a complaint with a representative of the Registrar.
9. Between around March 2026 and April 2026, a representative of the Registrar (the “Representative”) attempted to facilitate a resolution between the Consumer and the Dealer. Ultimately, the Dealer was unable to resolve the complaint in a manner which was acceptable to the Consumer.
10. The Dealer’s failure to comply with his disclosure obligations in writing on the RBOS, as outlined above, is a contravention of sections 42(4) and (19) of O. Reg. 333/08 as well as sections 7(1) and 9(1), (3) and (4) of the Code of Ethics.
11. The Dealer’s failure to comply with paragraphs 6, 34, 37 and 40 of the T&Cs, as outlined above, is a further contravention of sections 7(1), 9(1) and (3) 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](mailto: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 13<sup>th</sup> day of July, 2026



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