VIA COURIER

IN THE MATTER OF the Motor Vehicle Dealers Act, 2002, S.O. 2002, Chapter 30, Schedule B and Regulations, as amended

- and -

IN THE MATTER OF the registration of INVENTUS AUTO LEASING INC. o/a CARS CANADA

TO: **INVENTUS AUTO LEASING INC.**
o/a CARS CANADA
306 Yonge Street
Barrie, ON L4N 4C7

NOTICE OF PROPOSAL TO REVOKE REGISTRATION

Take notice that pursuant to Section 9 of the *Motor Vehicle Dealers Act, 2002* (the "Act") the Registrar is proposing to revoke the registration of INVENTUS AUTO LEASING INC. o/a CARS CANADA as a motor vehicle dealer under the Act.

REASONS

The intention and objective of the Act is to protect the public interest. In doing so, the Act requires that Registrants be financially responsible in the conduct of business and that they carry on business in accordance with the law and with integrity and honesty. Inventus Auto Leasing Inc. o/a Cars Canada's financial position, the past conduct of Nazar Dolichnyi, and the Dealer's breach of conditions of registration are inconsistent with the intention and objective of the Act and therefore warrant disentitlement to registration under the Act.

PARTICULARS

The reasons for this proposal are:

Background

1. Inventus Auto Leasing Inc. o/a Cars Canada (the "Dealer") has been registered as a motor vehicle dealer under the Act since on or about July 14, 2017.

2. Nazar Dolichnyi ("Dolichnyi") has been registered as a motor vehicle salesperson under the Act since in or around 2014 and remains registered.

3. At all material times, Dolichnyi was the Dealer's director, officer and person in charge and was responsible for its operations.

4. On July 13, 2017, and January 22, 2021, respectively, Dolichnyi, acting on behalf of the Dealer, consented to terms and conditions on the Dealer's registration (the "2017 Terms and Conditions" and the "2021 Terms and Conditions").

5. At the material times, Aiden Manteghi (“Manteghi”) and Michael Konnov (“Konnov”) were registered as salespersons to the Dealer.

Past Conduct

A. Failure to Be Financially Responsible – NSF Cheque to Cardoor Inc.

6. Between March and June 2025, the Dealer purchased six vehicles from Cardoor Inc., another registered motor vehicle dealer.

7. In connection with those purchases, the Dealer provided Cardoor Inc. with a cheque for $9,040. The cheque was deposited in August 2025 and returned for insufficient funds.

8. After crediting the Dealer’s other payments $3,164 remained owing to Cardoor Inc. The Dealer did not respond to Cardoor Inc.’s communications concerning the balance.

9. Resultingly, Cardoor Inc. submitted a complaint to OMVIC regarding the non-payment.

10. In February 2026, the Registrar requested the Dealer’s response to Cardoor Inc.’s complaint. Dolichnyi, acting on behalf of the Dealer, disputed aspects of the complaint and advised that the Dealer would not pay the balance unless the NSF cheque was returned.

11. Cardoor Inc. advised the Dealer that its bank had retained the NSF cheque and that it could not be returned.

12. In March 2026, Dolichnyi advised the Registrar that the outstanding balance would be paid. The Dealer paid the $3,164 balance on April 17, 2026.

13. By issuing a cheque that was returned NSF and failing to pay the remaining balance for approximately eight months, the Dealer failed to be financially responsible in carrying on business.

B. Consumer RA – 2016 Porsche Panamera

14. On or about July 28, 2025, Manteghi, acting on behalf of the Dealer, participated in the sale of a 2016 Porsche Panamera (the “Porsche”) to Consumer RA.

15. The unexecuted retail bill of sale identified the Dealer as the vendor and Manteghi as the salesperson and represented that the Porsche was “CERTIFIED” and had “NO ACCIDENTS.” The bill of sale did not set out the financing terms or disclose damage or required repairs.

16. The Dealer arranged for the Porsche to be prepared, certified and delivered to Consumer RA. A Safety Standards Certificate was issued by PJ Auto Service Inc. (“PJ Auto”).

17. The Porsche developed mechanical problems shortly after delivery and was towed. Consumer RA subsequently requested of the Dealer that the transaction be rescinded and that the purchase price be refunded. The Dealer refused.

18. On October 29, 2025, an inspection by an officer of the Ministry of Transportation identified an exhaust leak and damage to steering components that contravened the applicable Passenger/Light-Duty Vehicle Inspection Standard.

19. Consumer RA subsequently complained to OMVIC.

20. In response to the Registrar's inquiries following the complaint, the Dealer denied selling the Porsche directly to Consumer RA. Instead, the Dealer asserted that it had wholesaled the Porsche to another registered dealer, 5052075 Ontario Inc. o/a Credit Auto Sales, which it claimed subsequently sold the vehicle to Consumer RA.

21. The Dealer nevertheless acknowledged that it prepared the Porsche, obtained the Safety Standards Certificate and delivered the vehicle to Consumer RA.

22. In connection with the Porsche transaction, the Dealer and Manteghi:

    a. represented that the Porsche was certified and supplied a Safety Standards Certificate that was false or misleading as to its condition and safety;

    b. sold or participated in the sale of a vehicle that was not of merchantable quality or fit for its intended purpose;

    c. failed to ensure that the retail contract contained the required information and disclosures; and,

    d. failed to compensate Consumer RA or rescind the transaction after rescission was requested.

C. Consumer LF – 2009 Mazda Tribute

23. On or about March 10, 2025, Konnov, acting on behalf of the Dealer, sold a 2009 Mazda Tribute (the “Mazda”) to Consumer LF. The Mazda was represented as “Certified” and was delivered with a Safety Standards Certificate.

24. Consumer LF subsequently notified the Dealer of concerns regarding the condition and structural integrity of the Mazda.

25. Inspections conducted in July and September 2025 identified significant corrosion, frame and floor-pan perforation, improper repairs and an unsecured driver’s seat. A Ministry of Transportation officer determined that the Mazda was unfit for the road and that its condition contravened the applicable Passenger/Light-Duty Vehicle Inspection Standard.

26. The Dealer subsequently took possession of the Mazda, and Consumer LF accepted a replacement 2010 Nissan Rogue in January 2026.

27. In connection with the Mazda transaction, the Dealer:

    a. represented that the Mazda was certified and supplied a Safety Standards Certificate that was false or misleading as to its condition and safety; and,

b. sold a vehicle that was not of merchantable quality or fit for its intended purpose.

D. Consumer BL – 2011 Subaru Outback

28. On or about August 7, 2025, Dolichnyi, acting on behalf of the Dealer, sold a 2011 Subaru Outback (the "Subaru") to Consumer BL. The retail bill of sale represented that the Subaru was being sold with a valid Safety Standards Certificate.

29. PJ Auto issued a Safety Standards Certificate for the Subaru. Consumer BL took delivery on or about August 14, 2025.

30. Shortly after delivery, Consumer BL experienced problems with the Subaru and notified the Dealer. Subsequent inspections identified extensive corrosion and defects affecting the Subaru's subframe, brake lines, control-arm bushings and wheel bearings.

31. In December 2025, a Ministry of Transportation officer determined that the Subaru was unfit for the road. The officer concluded that the subframe and brake-line defects would have existed when the Safety Standards Certificate was issued.

32. Consumer BL requested a full refund from the Dealer. The Dealer refused and directed Consumer BL to return the Subaru to PJ Auto for repairs.

33. The Subaru's subframe and rear brake lines were ultimately replaced at the Dealer's expense, and the vehicle was returned to Consumer BL in January 2026.

34. In connection with the Subaru transaction, the Dealer and Dolichnyi:

    a. represented that the Subaru had a valid Safety Standards Certificate and supplied a certificate that was false or misleading as to its condition and safety;

    b. sold a vehicle that was not of merchantable quality or fit for its intended purpose; and,

    c. failed to compensate Consumer BL or rescind the transaction after a refund was requested.

E. Reliance on PJ Auto

35. The Dealer obtained Safety Standards Certificates from PJ Auto for vehicles that it sold and directed consumers who complained about vehicle condition to return their vehicles to PJ Auto.

36. PJ Auto issued the Safety Standards Certificates for the Porsche and the Subaru. Each vehicle was subsequently found by a Ministry of Transportation officer to have had defects that contravened the applicable inspection standard.

37. In doing so, the Dealer knew or ought to have known that it could not rely on the Safety Standards Certificates issued by PJ Auto without taking reasonable steps to ensure the vehicles complied with applicable safety requirements.

38. In any event, the Dealer remained responsible under the terms and conditions of its registration for the quality of repairs or alterations completed by its personnel, agents, affiliated repair facilities or persons acting on its behalf.

F. Outstanding Charges under the Provincial Offences Act

39. Following an investigation in November 2024, charges were laid under the Provincial Offences Act against the Dealer, Dolichnyi arising from the June 2024 sale of a 2011 Cadillac Escalade.

40. The charges allege, among other things, an unfair practice in connection with the trade, a failure to ensure compliance by a salesperson, and the furnishing of false information relating to the trade.

41. The allegations underlying the charges concern the sale of a vehicle that allegedly required significant repairs, the provision of a Safety Standards Certificate that allegedly misrepresented the vehicle's safety, and the alleged failure to bring the vehicle into a state of good repair.

42. The charges remain outstanding.

Dealer's Breach of Terms and Conditions of Registration

43. The 2017 and 2021 Terms and Conditions required the Dealer, among other things, to:

    a. comply with the Act, its regulations and the Code of Ethics;

    b. ensure that motor vehicle trades were completed in accordance with the applicable statutory and regulatory requirements;

    c. disclose material facts concerning vehicles in writing on the bill of sale; and,

    d. subject to any legal defences, accept responsibility for the quality of repairs or alterations performed by its personnel, agents, affiliated repair facilities or persons acting on its behalf.

44. By reason of the conduct described above, the Dealer breached clause 21 of the 2017 Terms and Conditions and clauses 1, 21, 22 and 24 of the 2021 Terms and Conditions.

GENERALLY

45. The Dealer's issuance of an NSF cheque and prolonged failure to pay a debt owed to another registrant provides reasonable grounds for the belief that the Dealer cannot reasonably be expected to be financially responsible in the conduct of its business, within the meaning of section 6(1)(d)(i) of the Act.

46. The past conduct of Dolichnyi, as the Dealer's director provides reasonable grounds for the belief that the Dealer's business will not be carried on in accordance with the law and with integrity and honesty, within the meaning of section 6(1)(d)(iii) of the Act.

47. The Dealer has breached conditions of its registration within the meaning of section 6(1)(f) of the Act.

48. Accordingly, for the above reasons, the Dealer is not entitled to registration under the Act.

RIGHT TO A HEARING

Section 9(2) of the Act provides that an Applicant/Registrant is entitled to a hearing by the Licence Appeal Tribunal in respect of this proposal, if **WITHIN 15 DAYS** after service of this proposal, the Applicant/Registrant mails or delivers a written request for a hearing, to the following parties:

Licence Appeal Tribunal
Tribunals Ontario
General Services
15 Grosvenor Street, Ground Floor
Toronto, ON M7A 2G6

Email: LATRegistrar@ontario.ca

- AND TO -

Ontario Motor Vehicle Industry Council (OMVIC)
Registrar, *Motor Vehicle Dealers Act, 2002*
65 Overlea Blvd., Suite 300
Toronto, ON M4H 1P1

Email: Legal_Dept@omvic.on.ca

Note that Section 9(4) of the Act provides that where the Applicant/Registrant does not require a hearing by the Tribunal in accordance with subsection 9(2), the Registrar may carry out the proposal to refuse/revoke/suspend the registration, without further notice to you.

Section 9(5) of the Act provides that where an Applicant/Registrant requires a hearing, the Tribunal shall schedule a hearing. At that time, the Tribunal may order the Registrar to carry out, or refrain from carrying out this proposal, or may order that the Registrar take such action as the Tribunal considers appropriate, in accordance with the Act and the regulations.

Section 9 (5) of the Act provides that the Tribunal may attach such terms and conditions to its Order or to the registration, as it considers proper to give effect to the purposes of the Act.

APPLICATION OF THE *STATUTORY POWERS PROCEDURE ACT*

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

The Registrar states that the good character, propriety of conduct or competence of the Applicant/Registrant shall be an issue in any hearing before the Tribunal and the Registrar has, therefore, furnished herein reasonable information of allegations with respect thereto.

APPLICATION OF THE COMMON RULES OF PRACTICE AND PROCEDURE FOR THE LICENCE APPEAL TRIBUNAL, ANIMAL CARE REVIEW BOARD, and FIRE SAFETY COMMISSION

This is to serve as notice that the Registrar shall make application for its costs pursuant to Rule 19 of the Common 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 grounds for refusal/revocation/suspension of registration.

DATED at Toronto, this 11th day of October 2026.

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