

DEALER CLASSIFICATION NOTICE

This form is to be completed by dealers who were registered prior to January 1, 2010 but have not selected their class of registration pursuant to the *Motor Vehicle Dealers Act, 2002* ("the Act"). This form must be completed before your first renewal after January 1, 2010 with the exception of OADA/TADA members selecting the General – New and Used subclass. Please review the information contained in this form about the alternate classes of registration available.

Please complete and return this form.

By Mail: OMVIC
Suite 800, 789 Don Mills Road
Toronto, ON
M3C 1T5

By Fax: 416-226-3208

Dealership Information

Legal Name: _____

Trade Name: _____

Registration Number: _____

Dealership Address: _____

DEALER CLASSIFICATION

Kindly check the appropriate box below to confirm which class of registration applies to your dealership. Most currently registered dealers will recognize their current businesses as falling into one of the following three classes:

General Dealer (New & Used subclass) - a business which buys, sells or leases both new and used vehicles. OADA/TADA members are automatically assigned to this class.

For the purpose of the MVDA 2002, a vehicle is not considered a new vehicle if a permit has been issued under the Highway Traffic Act or by another jurisdiction having an equivalent requirement.

General Dealer (Used subclass) - a business which buys, sells or leases only used vehicles. This class will generally apply to any dealer who is not a new car dealer or Wholesaler as described below. If you do not have a location that is zoned for retail motor vehicle sales, kindly complete and return the attached "Acknowledgement of Premises Restrictions". This document replaces the previous "Wholesale/Leasing Affidavit".

Wholesaler - a business which sells vehicles exclusively to other registered dealers and acquires vehicles only from registered dealers or people/organizations who are exempt from registration under the Regulations. Wholesalers cannot trade with consumers. Wholesalers can do business with dealers who have an equivalent registration or licence in a jurisdiction outside of Ontario. Dealers in the wholesaler class cannot be involved in leasing vehicles. If you are currently registered as a wholesale/leasing dealer and are doing some leasing, you will need to choose the general dealer class.

If you recognize your current business as falling into one of the above listed businesses, please check the appropriate box and skip to the Consent and Undertaking section below.

The following classes of registration are severely restricted in their legal trading activities under the Act. The entire legal description of the class as set out in the General Regulation under the new *Motor Vehicle Dealers Act, 2002* is set out below:

Broker

20. (1) A motor vehicle dealer registered as a broker shall not act as a motor vehicle dealer, other than,

- (a) to act on behalf of a customer who is not a registrant to facilitate a trade in a motor vehicle involving the customer as a party, where the broker has no property interest in the trade and where the broker does not take or handle the funds used to pay for the trade; or
- (b) to advertise with respect to the activity described in clause (a). O. Reg. 333/08, s. 20 (1).

(2) It is a condition of registration of a motor vehicle dealer registered as a broker that the dealer shall be not registered in more than one class of motor vehicle dealer and shall not be associated with any other registrant as described in subsection 1 (2) of the Act. O. Reg. 333/08, s. 20 (2).

(3) It is a condition of registration as a broker that, when the broker acts on behalf of a customer to facilitate a trade, the broker shall not,

- (a) represent the interests of any person other than the customer;
- (b) receive compensation from a person who is not a party to the trade; or
- (c) receive compensation from more than one party to the trade. O. Reg. 333/08, s. 20 (3).

(4) A motor vehicle dealer registered as a broker shall not sell extended warranties or service plans or facilitate their sale through the broker. O. Reg. 333/08, s. 20 (4).

(5) A motor vehicle dealer registered as a broker shall not take possession of the motor vehicle that is the subject of a trade. O. Reg. 333/08, s. 20 (5).

Exporter

22. A motor vehicle dealer registered as an exporter shall not act as a motor vehicle dealer, other than to buy motor vehicles for the purpose of export outside of Ontario and to advertise with respect to such buying. O. Reg. 333/08, s. 22.

Outside Ontario Dealer

23. (1) A motor vehicle dealer registered as an outside Ontario dealer shall not act as a motor vehicle dealer, other than to buy motor vehicles for the purpose of export outside of Ontario and to advertise with respect to such buying. O. Reg. 333/08, s. 23 (1).

(2) It is a condition of registration as an outside Ontario dealer that the dealer shall not have a place authorized in the dealer's registration to which the dealer invites the public to deal with respect to motor vehicles or from which the dealer trades in motor vehicles. O. Reg. 333/08, s. 23 (2).

Lease finance dealer

24. (1) A motor vehicle dealer registered as a lease finance dealer shall not be associated, as described in subsection 1 (2) of the Act, with a motor vehicle dealer registered as a general dealer, unless the association is the result of the lease finance dealer and the general dealer both being associated with the same person who is exempt from the Act and the regulations as a result of paragraph 21 of subsection 2 (1). O. Reg. 333/08, s. 24 (1).

(2) A motor vehicle dealer registered as a lease finance dealer shall not act as a motor vehicle dealer, other than,

- (a) to buy motor vehicles;
- (b) to lease a motor vehicle to a lessee if,
 - (i) the lease is made through a motor vehicle dealer registered as a general dealer, and
 - (ii) the lease is for a term of at least 120 consecutive days;

- (c) to sell a previously leased motor vehicle,
 - (i) directly to the lessee, an individual who drove the vehicle during the term of the lease or, if the lessee is a partnership, a partner of the lessee,
 - (ii) to any of the persons described in subclause (i) through a motor vehicle dealer registered as a general dealer,
 - (iii) to a registered motor vehicle dealer, or
 - (iv) at an auction where,
 - (A) the person who arranges for and conducts the auction is exempt from the Act and the regulations as a result of paragraph 1 of subsection 2 (1), and
 - (B) the sale is made to a person who, at the time of the sale, is located in another jurisdiction and registered in that jurisdiction as a person with equivalent status to a registered motor vehicle dealer;
- (d) to sell a motor vehicle that the lease finance dealer has repossessed to or through a registered motor vehicle dealer or at an auction where,
 - (i) the person who arranges for and conducts the auction is exempt from the Act and the regulations as a result of paragraph 1 of subsection 2 (1), and
 - (ii) the sale is made to a person who, at the time of the sale, is located in another jurisdiction and registered in that jurisdiction as a person with equivalent status to a registered motor vehicle dealer;
- (e) to trade in a motor vehicle with a motor vehicle dealer who is registered as a general dealer or a person who is exempt from the Act and the regulations as a result of paragraph 21 of subsection 2 (1);
- (f) to trade in a motor vehicle with the purchaser if,
 - (i) the vehicle is the subject of a conditional sales contract originally entered into between the purchaser and a general dealer, and
 - (ii) the general dealer has assigned its interest under the contract to the lease finance dealer; or
- (g) to advertise with respect to the activities described in any of clauses (a) to (f). O. Reg. 333/08, s. 24 (2).

Please note: you will not be assigned to this class after December 1, 2009 unless you submit a Business Application and it is approved by OMVIC.

Fleet lessor – commercial lessor

25. A motor vehicle dealer registered as a fleet lessor in the subclass of commercial lessor shall not act as a motor vehicle dealer, other than,

- (a) to buy motor vehicles or lease motor vehicles as a lessee;
- (b) to lease a motor vehicle to a lessee who is not a consumer within the meaning of the Consumer Protection Act, 2002;
- (c) to sell a previously leased motor vehicle,
 - (i) to the lessee,
 - (ii) to an individual who drove the motor vehicle during the term of the lease,
 - (iii) to an officer or director of the lessee, if the lessee is a corporation,
 - (iv) to a partner of the lessee, if the lessee is a partnership, or
 - (v) to a registered motor vehicle dealer, or
 - (vi) at an auction where,
 - (A) the person who arranges for and conducts the auction is exempt from the Act and the regulations as a result of paragraph 1 of subsection 2 (1), and
 - (B) the sale is made to a person who, at the time of the sale, is located in another jurisdiction and registered in that jurisdiction as a person with equivalent status to a registered motor vehicle dealer; or
- (d) to advertise with respect to the activities described in any of clauses (a), (b) and (c). O. Reg. 333/08, s. 25.

Please note: you will not be assigned to this class after December 1, 2009 unless you submit a Business Application and it is approved by OMVIC.



IMPORTANT NOTICE:

There are a number of exemptions in the *Motor Vehicle Dealers Act, 2002* which may apply to you particularly if you deal only in buses or commercial vehicles (as defined by the Highway Traffic Act) or heavy trucks.

Heavy Truck Dealers - dealers who trade only in vehicles that have a gross weight of more than 21 tons when carrying the maximum permitted load of the vehicle and its trailer (where applicable).

Bus or Commercial Vehicle Dealers - dealers who trade only in buses or commercial vehicles as defined in the Highway Traffic Act provided they are not trading with customers who are individuals acting for personal or family use. Examples of "buses or commercial vehicles" include buses that can carry more than 10 passengers, hearses, ambulances etc.

CONSENT AND UNDERTAKING

I confirm I have not misrepresented or omitted any material facts in this form. I understand that each statement is subject to verification. I understand it is a serious offence to knowingly provide false information to OMVIC.

In order to complete or verify the information provided on this form, it may be necessary for the Ontario Motor Vehicle Industry Council to collect additional information from or to exchange information with government and relevant non-government sources regarding the registrant, its officers, directors, partners and majority shareholders. Only information relevant to your registration will be collected. I/We consent to the collection of this information as authorized under the *Motor Vehicle Dealers Act* ("the Act") and its successor Act, *the Motor Vehicle Dealers Act, 2002*. I/We understand that this information will be used to determine whether I/We am/are and remain qualified for the registration for which I/We am/are applying. I/We further consent to the sharing of any information with others as may be considered necessary in the course of determining whether I/We am/are and remain qualified for registration. The registration record, which includes the registrant's name, registration number, employer's name, business address and registration dates, is part of the public record.

I understand the information provided by OMVIC in this document and attachments is intended to summarize certain requirements in the *Motor Vehicle Dealers Act, 2002* ("the Act") and is not to be relied upon as authoritative. For authoritative information about the Act, I understand I can consult with my lawyer or review the Act and its regulations.

I certify that I am an authorized representative of the registrant.

Name of Dealer / Authorized Individual

Signature of Dealer / Authorized Individual

Position of Authorized Individual

Date (month/day/year)

Name of person who completed this application, if different from the registrant

ACKNOWLEDGEMENT OF PREMISES RESTRICTIONS

The Registrant named below acknowledges and understands the restrictions on their approved location and agrees as follows:

1. The Registrant will not display vehicles for the purpose of inviting a trade at their approved location.
2. The Registrant will comply with all municipal by-laws as they relate to their approved location.
3. The "approved location" referred to in this document is the location described below.

Street Number, Street Name, City, Postal Code

Signed in the City of _____ this _____ day of _____ 2010.

Name of Registrant (dealership)

Name of Authorized Representative (please print)

(Signature) I have authority to bind the dealership.