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## DISCIPLINE DECISION

### IN THE MATTER OF A DISCIPLINE HEARING HELD PURSUANT TO THE MOTOR VEHICLE DEALERS ACT 2002, S.O. 2002, C.30, Sch. B

BETWEEN:

REGISTRAR, *MOTOR VEHICLE DEALERS ACT, 2002*

- AND -

1752317 ONTARIO INC O/A RED LINE AUTO CENTER

- AND -

RIMA CHARAF-EDDINE

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Pursuant to Rule 1.07 of the Rules of Practice before the Discipline Committee and the Appeals Committee, I, the Chair of the Discipline Committee, have reviewed and considered the written Agreed Statement of Facts and Joint Submission on Penalty together with both Parties' waiver of a Hearing to this Proceeding and provide the following Order:

**Date of Decision:** May 2, 2011

**Findings:** Breach of Section 9 of the Code of Ethics

**Order:**

1. The dealer is ordered to pay a fine in the amount of \$3,500.00 within 120 days of the date of the Discipline Committee Order. The fine is payable to the Ontario Motor Vehicle Industry Council.
2. The dealer is ordered to offer all registered salespeople the opportunity to complete the OMVIC certification course, as it is revised with regards to the Act, within 90 days of the date of the Discipline Committee Order. The dealer will incur all costs associated with same.
3. The dealer agrees to comply with Regulations 332/08 and 333/08 of the Act, and the Standards of Business Practice, as may be amended from time to time.

Written Reasons:

#### Reasons for Decision

#### Introduction

This matter proceeded on the basis of an Agreed Statement of Facts, Joint Submission on Penalty and the Parties' Waiver of Hearing, pursuant to Rule 1.07 of the Rules of Practice before the Discipline Committee and the Appeals Committee.



### **Agreed Statement of Facts**

The parties to this proceeding agree that:

1. 1752317 Ontario Inc. o/a Red Line Auto Centre, (the "dealer") was first registered as a motor vehicle dealer in or around November 2008. Rima Charaf-Eddine ("Charaf-Eddine") was first registered as a motor vehicle salesperson in or around November 2008. Charaf-Eddine is sole officer and director of the corporation.
2. On or about November 3, 2008, the dealer signed terms and conditions of registration. As per condition # 6, the dealer agreed to comply with OMVIC's Code of Ethics and Standards of Business Practice.
3. On or about October 18, 2010, the dealer published an advertisement which failed to disclose the dealership name or contact information, contrary to section 36(2) of Regulation 333/08 of the *Motor Vehicle Dealers Act, 2002* ("the Act"), and section 9 of the Code of Ethics.
4. On or about October 19, 2010, the dealer published an advertisement which failed to disclose the dealership name or contact information, contrary to section 36(2) of Regulation 333/08 of the Act, and section 9 of the Code of Ethics.
5. On or about November 4, 2010, the dealer published two advertisements which failed to disclose the dealership name or contact information, contrary to section 36(2) of Regulation 333/08 of the Act, and section 9 of the Code of Ethics.
6. On or about November 11, 2010, the dealer published an advertisement which failed to disclose the dealership name or contact information, contrary to section 36(2) of Regulation 333/08 of the Act, and section 9 of the Code of Ethics.
7. On or about November 13, 2010, the dealer published an advertisement which failed to disclose the dealership name or contact information, contrary to section 36(2) of Regulation 333/08 of the Act, and section 9 of the Code of Ethics.

By failing to comply with the following section of the General Regulations under the Act:

36. (2) Subject to subsection (3), an advertisement that attempts to induce a trade in a motor vehicle shall include, in a clear, comprehensible and prominent manner, a registered name and the business telephone number of the motor vehicle dealer.

It is thereby agreed that the dealer and Rima Charaf-Eddine have breached the following:

Section 9 of the Code of Ethics, as set out in Ontario Regulation 332/08:

In carrying on business, a registrant shall not engage in any act or omission that, having regard to all of the circumstances, would reasonably be regarded as disgraceful, dishonourable, unprofessional or unbecoming of a registrant.

### **Joint Submission on Penalty**

1. The dealer is ordered to pay a fine in the amount of \$3,500.00 within 120 days of the date of the Discipline Committee Order. The fine is payable to the Ontario Motor Vehicle Industry Council.



2. The dealer is ordered to offer all registered salespeople the opportunity to complete the OMVIC certification course, as it is revised with regards to the Act, within 90 days of the date of the Discipline Committee Order. The dealer will incur all costs associated with same.
3. The dealer agrees to comply with Regulations 332/08 and 333/08 of the Act, and the Standards of Business Practice, as may be amended from time to time.

### **Decision of the Chair**

Having reviewed and considered the Agreed Statement of Facts, the Chair of the Discipline Committee hereby concludes that the dealer and Rima Charaf-Eddine breached subsection 9 of the OMVIC Code of Ethics, as set out in Ontario Regulation 332/08, made under the *Motor Vehicle Dealers Act, 2002*. The Chair of the Discipline Committee also agrees with the Parties' Joint Submission on Penalty and, accordingly, makes the following Order:

1. The dealer is ordered to pay a fine in the amount of \$3,500.00 within 120 days of the date of the Discipline Committee Order. The fine is payable to the Ontario Motor Vehicle Industry Council.
2. The dealer is ordered to offer all registered salespeople the opportunity to complete the OMVIC certification course, as it is revised with regards to the Act, within 90 days of the date of the Discipline Committee Order. The dealer will incur all costs associated with same.
3. The dealer agrees to comply with Regulations 332/08 and 333/08 of the Act, and the Standards of Business Practice, as may be amended from time to time.

Ontario Motor Vehicle Industry Council  
Discipline Committee

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Catherine Poultney, Chair