



**Licence Tribunal**

**Appeal d'appel en**

**Tribunal matière de permis**

**Citation: 10100 v. Registrar, Motor Vehicle Dealers Act, 2016 ONLAT-MVDA**

DATE: 2017-05-26

FILE:10100/MVDA

An Appeal from a Notice of Proposal by the Registrar, *Motor Vehicle Dealers Act, 2002*, S.O. 2002, c. 30, Sch. B - to Refuse and Revoke Registrations

Between:

Sief Kassab o/a Fast Lane Auto Sales and Sief Kassab

Appellants

-and-

Registrar, [Motor Vehicle Dealers Act 2002](#)

Respondent

## **DECISION AND ORDER**

**ADJUDICATOR:** John H. Kromkamp, Member

**APPEARANCES:**

For the Appellants: James Moak, Agent

For the Respondent: Michael Burokas, Counsel

Place and Date of Hearing: April 20-21, 2017 – Cornwall, ON

## REASONS FOR DECISION AND ORDER

### OVERVIEW

1. This is a hearing before the Licence Appeal Tribunal (the “Tribunal”) arising out of a Notice of Proposal issued by the Registrar, *Motor Vehicle Dealers Act, 2002* (the “Registrar” and the “Act” respectively). The Notice of Proposal dated March 1, 2016 proposed to refuse the registration of Sief Kassab (“SK”) o/a Fast Lane Auto Sales as a motor vehicle dealer and to refuse the registration of SK as a salesperson under the Act. The Notice of Proposal was supplemented with a Notice of Further and Other Particulars dated January 27, 2017.
2. The Registrar found that SK had made false statements in his application for registration and that his past conduct and financial position were inconsistent with the intention and objective of the Act. Additionally, the Registrar found that Mohamed Kassab (“MK”), the father of the applicant, was an interested person as defined by the Act whose past conduct afforded reasonable grounds for belief that the applicant would not carry on business in accordance with law and with integrity and honesty.
3. SK appealed the proposal on March 18, 2016. The Notice of Further and Other Particulars alleged that in addition to the foregoing, SK had illegally acted as an unlicensed salesperson/dealer in respect of sales of automobiles in 2016 after the issuance of the Proposal and the filing of his Notice of Appeal. This further established that the conduct of the applicant afforded reasonable grounds for belief that he would not carry on business in accordance with law and with integrity and honesty.
4. After considering all the evidence and submissions, the Tribunal directs the Registrar to carry out the Notice of Proposal dated March 1, 2016 and to refuse the registrations.

### EVIDENCE

5. At the beginning of the hearing, Mr. Moak, agent for the applicant, indicated that he had written instructions from his client to the effect that he would not be appearing and that his instructions were to call no witnesses to give evidence.
6. Six witnesses were called to provide evidence on behalf of the Registrar. Mr. Patrick Lowell, an investigator employed by the Ontario Motor Vehicle Industry Council OMVIC, the motor vehicle sales regulator in Ontario. He testified about his investigation of SK and MK. Mr. Lowell had investigated the activities of MK earlier, as far back as 2013. While Mr. Lowell was prepared to testify as to the details of illegal and unethical activities conducted by MK, the tribunal limited his testimony in this regard since the documentary evidence filed

provided an adequate outline of the nature of his past conduct. This documentary evidence included an information outlining a number of charges brought against MK under the Motor Vehicle Dealers Act, a transcript of his guilty plea, a Notice of Proposal to revoke his registrations as a salesperson and his company as a dealer and the decision of the dated November 29, 2016 which made findings of fact regarding his illegal and unethical conduct when it upheld the Registrar's proposal.

7. Mr. Lowell testified about his investigation and interviews with individuals who purchased automobiles from SK in 2016 and early 2017. He reported the general details of his conversations with the following individuals:
  - Mr. Baker, who purchased a 2010 Honda CXG in April, 2016;
  - Mr. Desautels, who purchased a 2013 VW Jetta in May, 2016;
  - Dr. Aldraihem, who purchased a 2010 Toyota Camry in July, 2016;
  - Mr. Mouza Zaidan, who purchased a 2011 Chevrolet Impala in October, 2016;
  - Mr. Cameron Woods, who purchased a red BMW in December, 2016; and
  - Mr. Abdoulaye Mahamat, who purchased a 2012 Toyota CBA in March, 2017.
8. Mr. Lowell also investigated purchases of salvage vehicles made by MK on behalf of a Québec numbered company. He produced business records in relation to the purchase and disposition of a number of motor vehicles in 2016 and the early part of 2017. He produced records maintained by the Ministry of Transportation which provided information about individuals who purchased and sold vehicles as well as information about the vehicles sold. Those records corroborated his investigation regarding the six vehicles mentioned above.
9. Mr. Lowell also testified that he had been involved in an investigation of MK as far back as 2013 arising out of allegations of improper business conduct. His investigations resulted in the execution of a search warrant at the premises in 2014, and ultimately the laying of charges and cancelling of his registration in 2016.
10. Dr. Ahmed Aldraihem testified about his purchase of a 2010 Toyota Camry from SK in July 2016. Mr. Jean-Luc Desautels testified about his purchase of a 2013 Volkswagen Jetta in May 2016.
11. Ms. TJ Lotton is a Senior Registration Officer employed at OMVIC. She dealt with the applications made by SK. Pursuant to her duties, she communicated with SK for a period of months seeking to obtain additional information in support of applications. She explained the application, produced the exchanges of correspondence between herself and SK and testified as to conversations she had with SK.

12. Wali Shearзад was a former friend of MK. In the past they had conducted business together trading in used cars. Their relationship ended when the authorities executed a search warrant at their places of business in August 2014. Both he and MK were charged with a number of offenses alleging violations of the Motor Vehicle Dealers Act. Mr. Shearзад learned that MK had engaged in forging his signature, falsifying records, misleading potential purchasers of vehicles and otherwise conducting his business in a dishonest way. Ultimately, the charges against Mr. Shearзад were dropped and MK pleaded guilty to a representative charge and received a fine.
13. Michael Rothe is the Director of Legal Services at OMVIC. He testified as the representative of the Registrar to explain the rationale for refusing registration of the applicants. While his testimony was valuable in bringing the evidence together, he was not entitled to supplement or express his own views as to the justification for the decision. He did not do so. The decision of the Registrar must be found in the contents of the Notice of Proposal and the Notice of Further and Other Particulars.
14. All of the witnesses testified in a fair, forthright way. While they were cross-examined by Mr. Moak and some concessions were made where appropriate, nevertheless the testimony of each witness was found to be credible and relevant to the issues before the Tribunal. Given Mr. Moak's instructions, there was no other evidence adduced to challenge the reliability and accuracy of the evidence tendered on behalf of the Registrar.

## **FINDINGS OF FACT**

15. MK was an automobile salesperson. He owned a company that carried on the business of selling used cars under the name MAK Auto Sales, located at 500 12<sup>th</sup> Street West, in Cornwall, Ontario. He owns that property. Mr. Wali Shearзад operated a similar business under the name ABS Auto Sales at the same location. MK is the father of the Appellant SK who provided a home address of 1221 Dover Road, in Cornwall. Salwa and Mohamed Ahmed, MK's sister and brother-in-law, also resided in Cornwall at the same address. Mohamed Ahmed was listed on corporate and other documentation as an officer/shareholder of the Corporation that operated as MAK Auto Sales.
16. Commencing in late 2012 and extending through 2016, OMVIC conducted an investigation of MK's business practices. A search warrant was executed in 2014 at 500 12<sup>th</sup> Street West in Cornwall, the business premises of MAK Auto Sales. Mr. Shearзад operated out of the same premises and was caught up in the investigation. He was unaware of the conduct of MK which involved forgery of his signature, misrepresentation of their business relationship and other unlawful business practices.

The evidence supports a finding that on occasion, MK appropriated the identity of ABS Auto Sales to conduct his illegal business without the knowledge or consent of Mr. Shearзад.

17. After the execution of the search warrant, Mr. Shearзад had little to do with MK. Ultimately he offered to testify against MK at both the registration proceedings and the provincial offenses trial. In 2016, MK's registration was revoked and he pleaded guilty to a representative charge under the Motor Vehicle Dealers Act. Based on the testimony of Mr. Shearзад before the Tribunal, the findings of the Registrar revoking his registration, and the findings of the Ontario Court of Justice on his guilty plea, there is more than enough evidence to find that MK conducted business in an illegal and dishonest way. The Appellant produced no evidence and made no submissions to the contrary.
18. Between June 2009 and May 2011, SK was an auto salesperson for MAK Auto Sales. His registration expired. He commenced University studies in Ottawa and was in that city for approximately four years.
19. In his applications for a new registration, filed on May 19, 2015, SK gave 1221 Dover as his home address and 500 12<sup>th</sup> Street West as his proposed business address. According to his application, he apparently had little or no financial viability to operate as a dealer or salesperson, as he reported that he would rely on a personal loan from a family member in the amount of \$10,000 as his source of funding for starting the business. In subsequent correspondence, he indicated that he had been unemployed since his graduation and had been supported by loans and payments from family members. In his application, he reported that he could rely on Mr. Shearзад to provide business advice and assistance. According to Mr. Shearзад, they had not spoken about this. SK did not mention his father in the application. Given that MK was under investigation, it is not surprising that he did not use him as a potential reference.
20. Ms. Lotton was assigned to review SK's file. On June 2, 2015, she requested additional information regarding the application, as she is entitled to do under the Act. Amongst other things, she required that he provide three months bank statements of his ordinary bank accounts. Similarly, she requested that he provide information about the source of funds mentioned in his application. She inquired as to whether he was related to MK.
21. There followed a series of exchanges that extended until November 2015. SK indicated that MK was his father but that he would have nothing to do with his business. Further, SK initially produced his bank statement which showed that \$10,000 had been transferred to that account. He produced evidence that the funds had come from an account in the name of Salwa Ahmed. Unfortunately for SK, the account listed Mohamed Ahmed as a joint holder of that account. Ms. Lotton sought additional information about that account including a request

for three months of statements to establish the source of the funding in that account. SK suggested that he would obtain the money from Salwa from a different account over which her husband had no rights. Unbeknownst to Ms. Lotton, the day after he produced the record showing that he had \$10,000 in his account, the money had been transferred back to his aunt. For a number of months he communicated with Ms. Lotton without telling her that the so-called start-up funding was no longer in his account. By November they had come to an impasse. SK was unwilling or unable to provide three months worth of bank statements so as to establish the source of the funding regardless of which account the money came from. He has never provided the information requested as to the source of that funding or the source of any subsequent funding from a different account.

22. During 2016, MK continued to purchase vehicles. Investigation revealed that he purchased salvage automobiles from Impact Auto Auction. Ms. Kerrie Allinott, manager, produced records listing the vehicles that had been sold to MK and the dates of sale. She advised Mr. Lowell that these had been purchased by MK on behalf of a numbered Québec company. One of these vehicles, a Toyota Camry, was purchased on May 2, 2016. Another of these vehicles, a Chevrolet Impala, was purchased on July 4, 2016. The Ministry of Transportation (“MTO”) maintains complete records of automobile purchases and sales. It keeps at least two forms of records. The first is an RIN record. Anyone who registers ownership of a motor vehicle in Ontario is assigned a discrete number. Any time an individual registers ownership of a vehicle, it is inserted into his or her RIN record. The RIN record for SK revealed that during 2016 and early 2017 he had registered ownership of eight vehicles of which he still owned two as of April 6, 2017. The record shows that the Toyota Camry and the Chevrolet Impala purchased by MK on behalf of the Québec Company were two of the vehicles that found their way into SK’s possession. The second type of record maintained by the MTO is the vehicle record which tracks ownership of vehicles. By comparing these two records, Mr. Lowell was able to identify the ownership history of the vehicles. He subsequently interviewed the current owners, who confirmed that they had purchased the vehicles from SK.

23. The records revealed the following:

- On February 3, 2016, SK registered ownership of a 2010 White Honda. His address was given as 500 12<sup>th</sup> Street West, Cornwall, Ontario. On April 1, 2016, ownership was transferred to a Mr. Joel Baker.
- On April 14, 2016, SK registered ownership of a 2013 Grey Volkswagen, giving the same address. On May 11, 2016, ownership was transferred to Jean-Luc Desautels.
- On May 27, 2016, the 2010 grey Toyota Camry, previously purchased by MK on behalf of the Québec Company, was registered in Ontario. On July 14, ownership was transferred to SK. On July 15, ownership of the vehicle was transferred to Dr Aldraihem.

- On July 11, 2016, the white Chevrolet Impala previously purchased by MK on behalf of the Québec Company was registered by that company in Ontario. On July 16, 2016, SK registered ownership of the vehicle to himself. On October 4, 2016, ownership of the vehicle was transferred to a company located in Ottawa, Ontario.
- On November 28, 2016, SK was registered as owner of a 2003 red BMW.
- On December 30, 2016, ownership was transferred to Mr. Wood.
- On January 9, 2017, SK was registered as the owner of a white Toyota Camry. On March 18, 2017, the vehicle was sold to Mr. Mahamat.

24. All of these vehicles have been purchased as salvage vehicles from insurance companies. Work had to be done on the vehicles to make them fit for operation on a roadway. There is no evidence as to who completed the work or when the work was completed, but in a number of cases the vehicle came to SK in an unfit condition but subsequently transferred to a buyer in a fit condition.

25. Dr. Aldraihem and Mr. Desautels testified that they saw ads on Kijiji for the vehicles and met with SK. Both indicated that SK had mentioned some damage to the vehicle but certainly did not mention the details of the fact that they had been written off by the relevant insurance company. Nevertheless, neither had any complaints about SK or the vehicle purchased. Interviews by Mr. Lowell with the other purchasers were to the same effect. SK met potential purchasers in parking lots, coffee shops and similar off-site locations, away from his proposed business address at 500 12th Street West.

26. SK was at no time a registered salesperson or dealer.

## **LAW**

27. Under section 4 of the Act, no person shall act as a motor vehicle dealer or salesperson unless they are registered. A registration is not transferable. An individual is exempt from registration if they are trading a motor vehicle that is primarily for personal or family use.

28. An applicant that meets the basic requirements is entitled to registration or renewal unless the applicant meets any of the grounds for disqualification set out in section 6(1). Section 6(1)(a) applies to an applicant that is not a corporation. It states that an applicant is disqualified to registration if:

(i) having regard to the applicant's financial position or the financial position of an interested person in respect of the applicant, the applicant cannot reasonably be expected to be financially responsible in the conduct of business;

(ii) the past conduct of the applicant or of an interested person in respect of the applicant affords reasonable grounds for belief that the applicant will

not carry on business in accordance with law and with integrity and honesty; or

(iii) the applicant or an employee or agent of the applicant makes a false statement or provides a false statement in an application for registration or for renewal of registration.

29. A person shall be deemed, under section 6(4) to be an “interested person” in respect of another person if the person is associated with the other person or if, in the opinion of the registrar,

(a) the person has or may have a beneficial interest in the other person’s business;

(b) the person exercises or may exercise control either directly or indirectly over the other person; or

(c) the person has provided or may have provided financing either directly or indirectly to the other person’s business.

30. Another ground for disentitlement is set out under s. 6(1)(g), which states that the registrar may refuse registration of renewal if the applicant fails to comply with a request made by the registrar under this section. Under section 6(1.1)(a) and (b), the registrar may request that the applicant provide information specified by the registrar that is relevant to the decision to be made and verification, by affidavit or otherwise, of any information provided by the applicant to the registrar.

31. Section 8(1) states that the registrar may refuse to register, refuse to renew, suspend or revoke a registration for any of the grounds listed in section 6, subject to the requirement to notify a registrant of its proposal and a right to appeal to this Tribunal under s. 9.

32. Section 9(5) states that after holding a hearing, the Tribunal may by order direct the registrar to carry out the registrar’s proposal or substitute its opinion for that of the registrar and the Tribunal may attach conditions to its order or to a registration.

## **ISSUE**

33. Whether the Registrar was justified in its proposal to refuse registration to the applicant as a motor vehicle dealer and salesperson pursuant to section 6 of the Act.

## **ANALYSIS**

*Section 6(1)(a)(ii) - Conduct of interested parties*

34. The Registrar relied on the provisions of s. 6(1) as the basis for the refusal to register the Applicants. This provision permits registration to be refused based on the financial viability or past conduct of the applicant or of “an interested person.” The rationale for the inclusion of a consideration of an interested person in this provision is to prevent persons whose registration has been denied or revoked from continuing to operate behind the veil of an otherwise acceptable applicant.

35. The Registrar found that MK was an interested person. Given the dishonest conduct of MK in relation to his business of selling cars, if he was found to be an interested person as defined in section 6(4), the Registrar would be fully justified in rejecting the application of SK. The definition of interested person includes persons who have or may have a beneficial interest in the business, exercise or may exercise control directly or indirectly over the applicant or have or may have provided financing directly or indirectly to the applicant’s business. The evidence supporting a finding that MK was an interested person includes the following:

- MK is the father of SK;
- SK had previously worked as an automobile salesperson for MK;
- SK was living in Cornwall with or near to his father, MK;
- SK was living with his aunt, MK’s sister;
- SK had been unemployed since his graduation from university and was being supported by relatives. There is no reason to believe that those relatives did not include his closest relative, his father. The Appellants called no evidence to negate this reasonable inference;
- SK proposed to conduct his business at a premises previously occupied by MK’s business and at all material times owned by MK. The Appellant’s agent suggested that a landlord-tenant relationship did not create an interest as defined in the Act. However, this relationship cannot be viewed in isolation. SK was financially indebted to others and would become indebted to his father. His father was ungovernable as a motor vehicle dealer and had previously misused the identity of another business located at these premises (ABS Auto Sales) to disguise the fact that he was engaging in dishonest and unauthorized business practices;
- SK was personally dependent on others for support and had to borrow money to start up his business. He even had to use some of the borrowed money to pay the modest application fee. Over a period of months, SK maintained that the start-up money would come from his aunt, MK’s sister. However he was unwilling to provide banking records to establish the source of the funding. At the hearing, SK’s agent argued that the money originally came from Salwa’s joint account, was then returned and later taken from her private account. As a result, the promised \$10,000 start-up funding was finally in SK’s hands. Therefore, he argued, no adverse

inference could be drawn as the money was now in his hands regardless of which account it came from. However, the issue is not whether the money was in SK's account or not, but who was financing SK's start-up. Without responding to requests for banking records and allowing Ms. Lotton to believe that the money was always in his hands, SK prevented the Registrar from establishing the true source of the money. Given the evidence adduced by Ms. Lotton, it was open to the Registrar to conclude that MK may have provided financing directly or indirectly to the applicant's business; and

- In 2016, MK purchased two vehicles for a numbered Québec company which found their way into the hands of SK and were subsequently sold by him to third parties. This would support an inference that MK and SK had maintained a business relationship.

36. Considering all of these factors, I find that MK was an interested party who may have had a beneficial interest in the business, may exercise control directly or indirectly over the business and may have provided financing directly or indirectly to the business under section 6(4)(a), (b) and (c). As indicated, the Appellant produced no evidence to the contrary.

37. As a result, I find that the past conduct of MK affords reasonable grounds for belief that the Appellant will not carry on business in accordance with law and with integrity and honesty. The Registrar was justified in proposing to refuse registration of SK based on the past conduct of the interested party, his father MK.

*Section 6(1)(a)(i) - Financial responsibility of SK*

38. As an applicant, SK was financially unacceptable for registration. He had been unemployed since his graduation from university, was being supported by family, appears to have had no money in his bank account and had to borrow money to file his application. The source of his start-up funding was suspect as he misled the Registrar for months as to the status and origin of his financing. He has never provided the information essential to establish the true source of his financing. As result, I find that the applicant cannot reasonably be expected to be financially responsible in the conduct of business based on all of the facts and circumstances.

*Section 6(1)(a)(ii) - Past conduct of SK*

39. The original notice of proposal was made on March 1, 2016. SK appealed that decision. In January 2017, the Registrar supplemented the original proposal with a Notice of Further and Other Particulars. These particulars related to the sale of four vehicles by SK to third parties while the appeal was pending. Evidence before the Tribunal established the sale of six vehicles by SK to third parties. Each of the sales took place away from SK's proposed business

location. Pursuant to section 4 (2) of the Act, a dealer may not deal in a place other than the registered premises of the dealer. The practice of selling vehicles elsewhere, often referred to as “curb siding,” is not permitted. Mr. Moak argued that the Appellant could come within the exemption set out in section 5 of the Act. Individuals selling a personal automobile need not be registered and are permitted to sell curbside. He pointed out that this provision does not limit the number of personal vehicles an individual can sell.

40. This argument fails for two reasons. First, the definition of “dealer” and “trade” are broad enough to include even individuals selling their own vehicles. It is only the exemption in section 5 that shelters an individual from registration and only if the vehicle is used primarily for the personal use of the individual. This exemption must be interpreted in light of the overarching consumer protection philosophy of the statute as a whole. The Tribunal finds that the exemption relates to the occasional sale of a family automobile. It would defeat the intent of the Act to interpret the exemption as permitting a dealer to avoid registration and governance by structuring his business so as to claim each car sold was a personal vehicle. Rather, it is the pattern of behaviour that establishes whether the individual was dealing in vehicles or simply selling a personal vehicle. In this case, SK had little or no money yet managed to purchase eight vehicles in just over a year and sold six vehicles in that time. All vehicles were purchased as salvage, repaired and subsequently sold. This pattern has the hallmark of dealing in vehicles rather than selling a personal vehicle.
41. Second, as noted, SK did not testify, nor was there any other evidence called on his behalf. As a result, there is no evidence that any of these vehicles was in fact used primarily for his personal use. As a result, SK does not fall within the exemption set out in section 5. His conduct was in violation of the Act.
42. The fact that the Appellant intentionally operated as a dealer in violation of the Act pending the appeal supports a finding that there are reasonable grounds for belief that the applicant would not carry on business in accordance with the law and with integrity and honesty.
43. Additionally, as noted earlier, the Tribunal has found that in dealing with the office of the Registrar, the Appellant was not frank and forthright in responding to inquiries, especially about the source of his funding. Ms. Lotton indicated that she felt she had been misled for months by SK as to the source of his funding. The Appellant never did provide the requested information. This too supports a finding that there are reasonable grounds to believe he would not carry on his business in accordance with law and with integrity and honesty. Based on all of the evidence of the SK’s past conduct, and in particular his practice of “curbsiding” and his failure to provide information to the registrar about the source of his funding, I find that there are reasonable grounds to believe that he will not carry on business in accordance with the law and with integrity and honesty.

*Section 6(1)(a)(iii) - False statement by SK*

44. In his application for registration, SK reported that Mr. Shearзад, carrying on business as ABS Auto Sales, was available to advise and assist him with his dealership. Mr. Shearзад testified that he had never been approached with a view to providing such assistance. He also pointed out that by this time he had had a falling out with SK's father and hadn't spoken to either of them in some time. He did testify, however, that he did not have any personal animosity toward SK and might have been prepared to assist him had he been registered as a dealer/salesperson. To the extent that this might have been viewed as a false statement, it was not overly significant and would not have justified a refusal to register SK had it been the only factor under consideration.

*Section 6(1)(g) - Failure of SK to respond to inquiries*

45. The failure to respond to inquiries can justify a refusal to grant registration. In light of the concerns that the Registrar had with the spectre of MK lurking in the background and the possibility that he may have had more to do with the application than was being asserted by SK, the request for additional information before making a decision was reasonable. In particular, the request for banking information in order to establish the source of the funding for the business was relevant and important to the determination of whether the business was both financially responsible and independent of MK. As described earlier, communication between Ms. Lotton and SK continued for almost six months. While many of her inquiries were responded to, SK continuously deflected or ignored the request for more detailed banking information. Ms. Lotton continued to request production of three months of banking statements for the source accounts and cautioned SK that it was important to his application to provide that information. In November 2015, the communications wound down. At no time did SK ever respond to the inquiry requesting the additional banking information, and therefore refusal of registration is justified under s. 6(1)(g). Given the importance of verifying the source of the financing of SK's business, the failure to provide this information in and of itself justifies a decision to refuse registration.

**CONCLUSION**

46. I find that SK and his business are disentitled to registration for the grounds set out in s. 6(1)(a)(i), 6(1)(a)(ii), and 6(1)(g) of the Act based on the following:

- i. The involvement of MK, whose registration has been revoked, as an interested person who may have been involved in the financing and operation of the proposed business.
- ii. The evidence as to the lack of financial responsibility of SK and his proposed business.

- iii. The finding that SK was engaging in dealing in automobiles when he was not registered to do so and while this matter was under appeal.
- iv. The finding that SK was not frank and forthcoming in providing essential information concerning his dealings with the office of the Registrar.
- v. The failure to respond to repeated inquiries as to the source of his funding by providing additional banking information.

47. Mr. Moak submitted that perhaps registration could be granted with conditions, pursuant to section 8(2). Counsel for the respondent suggested that any conditions would be ineffective as OMVIC does not have the resources to police every registrant who has conditions placed on his registration. That is neither here nor there. The statute does provide for granting registration with conditions and if appropriate they should be considered.

48. While a condition such as SK relocating a significant distance from his father might reduce potential involvement, it would not realistically prevent them from operating in concert from a distance. Further, the evidence suggests that SK was less than frank in dealing with the Registrar and engaged in the unlawful dealing of used automobiles while his registration refusal was under appeal. His own acts demonstrate to the Tribunal that the application of conditions on his registration would not be effective in governing his conduct.

## ORDER

49. Pursuant to the authority vested in it under the provisions of the Act, the Tribunal directs the Registrar to carry out the Notice of Proposal dated March 1, 2016 as supplemented with a Notice of Further and Other Particulars dated January 27, 2017.

**LICENCE APPEAL TRIBUNAL**



---

John Kromkamp, Member

*Released: May 26, 2017*