

**LICENCE APPEAL  
TRIBUNAL**

**TRIBUNAL D'APPEL EN MATIÈRE  
DE PERMIS**



**Safety, Licensing Appeals and  
Standards Tribunals Ontario**

**Tribunaux de la sécurité, des appels en  
matière de permis et des normes Ontario**

Citation: Bumblebee Motors Limited and Vilteau Delvas v. Registrar, *Motor Vehicle Dealers Act, 2002*, 2018 ONLAT MVDA 11343

Date: November 15, 2018  
File Number: 11343 MVDA

Appeal from a Proposal of the Registrar under the *Motor Vehicle Dealers Act, 2002*, S.O. 2002, c. 30, Sch. B, to Refuse Registration

**Between:**

Bumblebee Motors Limited and Vilteau Delvas

Appellants

and

Registrar, *Motor Vehicle Dealers Act, 2002*

Respondent

**DECISION AND ORDER**

**Adjudicator:** Avril A. Farlam, Vice-Chair

**Appearances:**

For the Appellants: Yamen Fadel, Student-at-Law

For the Respondent: Michael Burokas, Counsel

**Heard in Ottawa:** September 18 and 19, 2018

## **REASONS FOR DECISION AND ORDER:**

### **A. OVERVIEW**

- [1] Under the *Motor Vehicle Dealers Act, 2002, S.O. 2002, c. 30, Sch. B* (“Act”) the Registrar issued a Notice of Proposal to Refuse Registration dated April 20, 2018 (“NOP”) to refuse the registration of Bumblebee Motors Limited (“Bumblebee”) as a motor vehicle dealer and the registration of Vilteau Delvas as a motor vehicle salesperson because the past conduct of the appellants affords reasonable grounds for belief that they will not carry on business in accordance with law and with integrity and honesty. Both appellants appealed to this Tribunal.
- [2] A French language interpreter was present at the hearing. Mr. Delvas testified in English although the interpreter assisted Mr. Delvas some of the time during his testimony. Mr. Delvas read out loud in English some exhibits written in English.

### **B. ISSUES TO BE DECIDED:**

- [3] The issues to be decided are as follows:
- a. Does Mr. Delvas’ past conduct both personally and as an officer and director of Bumblebee, specifically selling motor vehicles while unregistered, afford reasonable grounds for belief that the appellants will not carry on business in accordance with law and with integrity and honesty?
  - b. If so, is refusal to register Bumblebee as a motor vehicle dealer and Mr. Delvas as a motor vehicle salesperson appropriate?

### **C: CONCLUSION:**

- [4] I order the Registrar to carry out the NOP. The past conduct of Mr. Delvas both personally and as an officer and director of Bumblebee affords reasonable grounds for belief that the appellants will not carry on business in accordance with law and with integrity and honesty. Refusal to register the appellants is appropriate because Mr. Delvas personally and as an officer and director of Bumblebee traded in motor vehicles while unregistered.

#### D. LAW:

- [5] Unless registered under the Act, s. 4 (1) (a) prohibits a person from acting as a motor vehicle dealer and s. 4 (1) (b) prohibits a person from acting as a motor vehicle salesperson. Section 1 (1) of the Act defines a motor vehicle dealer as a person who trades in motor vehicles, whether for the person's own account or the account of any other person, or who holds himself, herself or itself out as trading in motor vehicles. Section 1 (1) of the Act defines a salesperson as an individual who is employed by a motor vehicle dealer to trade in motor vehicles on behalf of the motor vehicle dealer. Section 1 (1) of the Act defines trade as including buying, selling, leasing, advertising or exchanging of an interest in a motor vehicle.
- [6] Section 6(1) (d) (iii) of the Act provides that a corporation that meets the prescribed requirements is entitled to registration unless the past conduct of its officers, directors or interested person affords reasonable grounds for belief that its business will not be carried on in accordance with law and with integrity and honesty.
- [7] Section 6(1) (a) (ii) of the Act provides that a person other than a corporation that meets the prescribed requirements is entitled to registration unless the past conduct 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.
- [8] Section 9(1)(a) provides that the Registrar must provide written notice of the proposed refusal and the applicant may request a hearing by the Tribunal pursuant to section 9(2).
- [9] Section 9(5) provides that the Tribunal shall hold the hearing and following the hearing, may direct the Registrar to carry out the proposal or substitute its opinion for that of the Registrar and the Tribunal may attach conditions to its order.

#### E: EVIDENCE AND ANALYSIS:

- a. Does Mr. Delvas' past conduct both personally and as an officer and director of Bumblebee, specifically selling motor vehicles while unregistered, afford reasonable grounds for belief that the appellants will not carry on business in accordance with law and with integrity and honesty?***

- [10] I find that the past conduct of Mr. Delvas affords reasonable grounds for belief that the appellants will not carry on business in accordance with law and with integrity and honesty because he caused Bumblebee to act as a motor vehicle dealer and he himself acted as a motor vehicle salesperson without being registered under the Act.
- [11] The Tribunal heard from three consumers - Maryam Arale, Emmanuela Garcon Cadet and Chedeline Dieujuste, all of whom obtained vehicles through the appellants.
- [12] Ms. Arale testified that she purchased a 2011 Mazda 3 in 2017 from Mr. Delvas. She went to Mr. Delvas' shop several times. She told him her budget and that she needed a safe, reliable car and he said he could work this out. It looked like a dealership. She saw cars and a Bumblebee sign on the door of the shop. Mr. Delvas took a \$500.00 deposit from her and in October sent her pictures of a vehicle. She was satisfied with the pictures and signed the papers. She said she could not see any damage in the pictures and she trusted Mr. Delvas. She asked him if it was safe and reliable and he said the car had an accident on the roof but the problem was just the roof. He did not tell her the car had \$3,650.00 damage. Ms. Arale testified that she did not receive money from him. She received the vehicle from him. She did not receive a warranty on the car although she thinks Mr. Delvas said she would get one. She does not remember getting a Bill of Sale.
- [13] Mr. Delvas provided documents and she signed them. Ms. Arale identified her signature on a Loan Agreement dated November 1, 2017 in which she promised to pay \$5,000.00 as a loan and \$2,799.00 as an "underwriting fee" for a total of \$7,799.00. The interest rate on her Loan Agreement is shown as "0.4". The Loan Agreement says Bumblebee Motors Limited and shows the lender as Bumblebee Motors Limited Finance, 1355 Labrie Ave., Ottawa, Ontario on the first page and BMB LTD Financial Services, 1355 Labrie Ave., Ottawa, Ontario on the last page. She got her 2011 Mazda 3 November 27, 2017.
- [14] In the early part of 2018 she took the car to a body shop to fix damage from a small collision she had and the body shop told her the structure was damaged. The body shop asked her if she had been in a huge accident. Then she went to the Ministry and found out her car had been branded as salvage in another province. She was really surprised but was pregnant, working full-time and had a young child so although she intended to see Mr. Delvas she was too busy to

do so. Mr. Delvas contacted her in June, 2018 and let her know his lawyer would be calling her about his dealership licence. He told her the car was salvage and she was shocked to hear this from him. She said she would not have purchased it if she had known. She is still paying \$300.00 each month to Mr. Delvas and is still driving the car because she has no choice. It is the only car she has.

- [15] Emmanuela Garcon Cadet testified that she purchased a 2010 Hyundai Elantra in 2018 from Mr. Delvas. She did not know Mr. Delvas but was referred to him by a friend that knew him in Haiti. The dealership was Bumblebee Motors. When she purchased the car Mr. Delvas said he was going to finance the car but said he did not have the authorization to sell the car. Ms. Cadet identified her signature on a Loan Agreement dated February 1, 2018 in which she promised to pay \$1,480.00 as a loan and \$1,220.00 as an “underwriting fee” for a total of \$2,700.00. The interest rate on her Loan Agreement is shown as “N/A”. The Loan Agreement says Bumblebee Motors Limited and shows the lender as Bumblebee Motors Limited Finance, 1355 Labrie Ave., Ottawa, Ontario on the first page and BMB LTD Financial Services, 1355 Labrie Ave., Ottawa, Ontario on the last page. Mr. Delvas did not loan her any money.
- [16] Ms. Cadet testified that she picked up the vehicle at Mr. Delvas’ shop. There were cars and a receptionist. He was not alone in the space and was asking advice of another man. She paid Mr. Delvas a deposit of \$1,000.00 before she got the vehicle. She got her vehicle about the time she started making payments of \$250.00 a month. She believes she owns the car. Because she did not respect the payments of \$250.00 a month she believes she paid around \$6,000.00 for the car. Mr. Delvas told her the car had an accident before but did not tell her it cost \$8,200.00 to fix the car. She just saw that car at Mr. Delvas’ business and liked it and wanted to buy it. Mr. Delvas put the insurance in her name and gave her the Loan Agreement and safety test. She enjoyed her experience with Mr. Delvas because he was co-operative, and he calls her all the time to see if she is happy with the car.
- [17] Chedelene Dieujuste testified that she talked to Mr. Delvas in 2017 and he said he could help her find and finance a car. He showed her a 2013 Hyundai Sonata and told her it had been in an accident. She had someone check out the car and then bought it. She likes the car Mr. Delvas gave her the safety certificate, licence registration, a two year guarantee, a payment schedule, explained the safety and a financing with Bumblebee. Mr. Delvas arranged the warranty.

- [18] She said Mr. Delvas was not the dealer and only financed the car. Ms. Dieujuste identified her signature on a Loan Agreement dated November 4, 2017 in which she promised to pay \$5,667.30 as a loan and \$1,538.70 as an “underwriting fee” for a total of \$7,200.00. The interest rate on her Loan Agreement is shown as “3.7%”. The Loan Agreement says Bumblebee Motors Limited and shows the lender as Bumblebee Motors Limited Finance, 1355 Labrie Ave., Ottawa, Ontario on the first page and BMB LTD Financial Services, 1355 Labrie Ave., Ottawa, Ontario on the last page. She also produced a Guarantee application for Warranty Coverage given to her by Mr. Delvas for her 2013 Hyundai Sonata which records the “Salesperson” as Vilteau Delvas, the “Dealer” as Bumblebee, 1355 Labrie Ave, Ottawa, Ontario and the finance company as Bumblebee. Under “Salesperson OMVIC #” it records: “N/A” and under “Dealer OMVIC Reg. #” it records: “N/A”. Vehicle delivery date is November 3, 2017.
- [19] Andrea Korth, Business Standards and Legal Project Manager at the Ontario Motor Vehicle Industry Council (“OMVIC”) testified that OMVIC administers the Act. Ms. Korth said Mr. Delvas’ past conduct as an individual and as an officer and director of Bumblebee gives the Registrar reasonable grounds to believe that Mr. Delvas will not carry on business in accordance with law and with integrity and honesty for several reasons. First, his actions are industry-specific wrongdoing – namely breaking the law regarding registration. Secondly, his actions of taking vehicles in Bumblebee’s name and plating them out to consumers will not be flagged by the MTO because it looks like a business, and it therefore is a fairly sophisticated way of trying to get around the OMVIC registration requirement. Thirdly Mr. Delvas did not make the required disclosures to consumers. Fourthly, he says MTO created a misunderstanding for him but OMVIC, not MTO, determines who can sell vehicles. MTO is not the regulator of the motor vehicle sales industry. OMVIC is the regulator and OMVIC has made it clear in writing that no one can trade in motor vehicles without being registered. Ms. Korth also testified that after taking the OMVIC course that teaches about trading in vehicles and signing two undertakings not to trade until registered, she does not believe that Mr. Delvas could misunderstand and believe he could trade in vehicles to consumers without being registered.
- [20] Ms. Korth explained that to sell vehicles as a business requires registration as a dealer. The Act requires that dealers must disclose information when selling to the public. Registered dealers are subject to inspections and administrative review and sanctions if not compliant with the Act. The car-buying public needs protection, and consumers need to know and understand what they are buying.

The Act is consumer-protection legislation, which requires registered dealers to disclose all material facts, including if a vehicle has been in an accident and if the vehicle is an out of province vehicle.

[21] Ms. Korth testified that both motor vehicle dealers and the motor vehicle salespersons who work for them have to be registered. In considering applications for registration the Registrar looks at past conduct to see if applicants will conduct themselves in accordance with law and with integrity and honesty. Because consumers are vulnerable, there are strict tests for registration. Once registered, dealers pay into a fund to compensate consumers who make claims. The officers and directors of a corporate registrant are responsible for the conduct of the corporation. OMVIC licences dealers and salespersons. The Ministry of Transportation (“MTO”) licences drivers and vehicles. Typically a registered dealership will take the Bill of Sale to the MTO and register the vehicle in the buyer’s name. MTO plates the vehicle. OMVIC has access to the vehicle record which shows the registered licence plate owner and the registered owner of the vehicle. Ms. Korth testified that a vehicle can be owned by one person and plated by another person. In the case of Ms. Arale she owns the licence plate but the car is owned by Bumblebee. If a person takes out a loan to purchase a vehicle, the vehicle and plate will be owned by that person and the dealership will put a lien against the vehicle. A bank, for example, provides a purchaser with money to buy a car and then registers a security interest in the car. The bank in this example is not selling cars, it is selling financial products. Banks do not take deposits on car loans. One makes a deposit on the purchase of a car. If the dealer still holds title to the car, the transaction is a lease. The Act says a motor vehicle dealer is a person who trades in motor vehicles. A salesperson is an individual who is employed by a motor vehicle dealer. The Act defines trading as including buying, selling, and leasing motor vehicles. Unregistered dealers are illegal under s. 4 of the Act.

[22] Ms. Korth testified that Bumblebee was incorporated on June 17, 2017. Bumblebee’s address is 1355 Labrie Ave., Ottawa, Ontario. Mr. Delvas is the sole officer and director. Bumblebee has never been a registered dealer under the Act. Mr. Delvas has never been a registered salesperson under the Act.

[23] Mr. Korth testified that Mr. Delvas took the OMVIC dealer registration course twice and was notified by Georgian College that he successfully passed on September 12, 2018. Ms. Korth, who herself has taken the course, testified that the course teaches an overview of the laws governing the industry. The email from Georgian College informed Mr. Delvas that “Completion of this

course does not mean you are registered as a salesperson or dealer with OMVIC. You must submit an application to OMVIC in order to apply to become a registered salesperson or dealer.” Mr. Delvas completed Bumblebee’s dealership application for registration dated September 30, 2017 and his individual salesperson application dated September 20, 2017. The dealership application in Section G contains the following undertaking “The applicant understands it is a violation of the Act to conduct business as a motor vehicle dealer without benefit of registration from OMVIC.” The salesperson application in Section E contains the following undertaking “I understand I may not trade on behalf of a motor vehicle dealer unless I am registered under the Act as a salesperson to that dealer. I acknowledge that “trade” refers to any form of discussion, representation or negotiations concerning the purchase, sale or lease of a vehicle...” Both applications were received at OMVIC on December 13, 2017.

- [24] Ms. Korth testified that Mr. Delvas has entered into three transactions with consumers even though the appellants were unregistered. Mr. Delvas first started dealing with consumers in October, 2017 and those dealings resulted in signed Loan Agreements dated November 1, 2017, November 4, 2017 and February 1, 2018, all very close in time to when Mr. Delvas signed the undertakings in the applications for registration.
- [25] Ms. Korth testified that by Bill of Sale dated October 5, 2017 Bumblebee purchased Ms. Arale’s 2011 Mazda from a Quebec dealer for \$3,350. A Safety Certificate and a Structural Inspection Certificate were obtained October 27, 2017 and November 3, 2017, respectively. Ms. Korth said a Structural Inspection Certificate is required when a vehicle has been branded irreparable, salvaged and rebuilt because it has had significant damage. The damage estimate of \$3,650.84 to Ms. Arale’s car is confirmed in the Carproof report. The car was registered on November 3, 2017 with Bumblebee as owner and Ms. Arale as the plate owner. Ms. Korth testified that it is concerning that there was no Bill of Sale compliant with the Act to Ms. Arale disclosing that the car came from Quebec and suffered significant damage, even though Mr. Delvas knew this because Bumblebee got a Structural Inspection Certificate which is only required if the vehicle is branded as salvage. There is no written disclosure of this to Ms. Arale. The Loan Agreement Ms. Arale signed is not a Bill of Sale and contains no disclosure about the car.
- [26] Ms. Korth testified that by Bill of Sale dated October 2, 2017 Bumblebee purchased Ms. Dieujuste’s 2013 Hyundai Sonata from another dealer “as is” with a note about repair by buyer and that the car has been declared a total

loss. Mr. Delvas knew this because it was disclosed to Bumblebee when it bought the car, but there is no written disclosure of this to Ms. Dieujuste and no Bill of Sale to her. The car was registered to Bumblebee as owner and to Ms. Dieujuste as the plate owner. The Loan Agreement Ms. Dieujuste signed is not a Bill of Sale and contains no disclosure about the car.

- [27] Ms. Korth testified that by Bill of Sale dated November 23, 2017 Bumblebee purchased Ms. Cadet's 2013 Hyundai Elantra, described as "salvage", from another dealer. Mr. Delvas knew this because it was disclosed when Bumblebee bought the car, but there is no written disclosure of this to Ms. Cadet and no Bill of Sale to her. The damage estimate of \$8,256.00 to Ms. Cadet's car is confirmed in the Carproof report. The car was registered to Bumblebee as owner and to Ms. Cadet as the plate owner. The Loan Agreement Ms. Cadet signed is not a Bill of Sale and contains no disclosure about the car. Ms. Korth testified that the Registrar considers all three transactions to be leases because the vehicles are owned by Bumblebee and plated and driven by consumers.
- [28] Ms. Korth testified that the appellants were acting as if Bumblebee was a dealer and Mr. Delvas was a salesperson while both were unregistered. The consumers dealt with Mr. Delvas and gave deposits to him, and he sourced cars for them. Mr. Delvas suggests he asked OMVIC if he could do this but he does not know who he spoke to at OMVIC and he did not say he was leasing cars while unregistered when he recounted his recollection of what he said to the OMVIC employee. Ms. Korth explained that Mr. Delvas first traded a car about one month after he passed the OMVIC course even though it is clearly taught in the OMVIC course that a person cannot deal in vehicles until registered. The email from Georgian College is also clear that passing the course does not equate to registration.
- [29] Ms. Korth identified a note from the OMVIC computer filing systems which track all phone calls in to and out of OMVIC. The note was created February 2, 2018 by Evelyn Ruta about a phone call between her and Mr. Delvas in which he acknowledges he is leasing vehicles but is really just about protecting his money. There is nothing in the record of this phone conversation to show that Ms. Ruta told Mr. Delvas that what he was doing was permitted, nor would she have had the authority to tell him that.
- [30] Mr. Delvas testified that he came to Canada in 2010 from Haiti where he worked as a police officer and a youth educator. He spoke French and Creole in Haiti. In Canada he completed the course for a personal support worker and

then a four year university degree in public administration and social science. He has worked for the City of Ottawa and Transport Canada, done training for RCMP officers going to Haiti, and run a business in Quebec. He said English is not his first language although he took English class in university. He decided he wanted to become a motor vehicle dealer and took the OMVIC course twice. He failed the course the first time but passed on September 12, 2017. Mr. Delvas completed both the dealer and salesperson applications for the appellants.

- [31] Mr. Delvas testified that in February, 2018 he received a letter from OMVIC asking for an explanation about vehicles he had purchased. He sent a written response to OMVIC in which he stated that he purchased seven vehicles and leased out three of them because of he misunderstood a call he had with OMVIC customer service. He wrote that he called and spoke to a man and asked "Can I register a car under my company name buying out from a dealer, where I paid the tax plus the full amount of the sale price? His answer was as soon as you pay for the car and the tax are paid nothing stop from doing it because OMVIC has no law saying the opposite." Mr. Delvas testified that he also went to MTO and told them he does financing and they gave him a RIN number and they frequently asked him if he got a licence yet. He said he stopped financing cars once he knew from OMVIC that he should not do that.
- [32] Mr. Delvas testified that he found a car for Ms. Arale through a dealer from Quebec after she gave him \$500.00 as a deposit. He knew it was in an accident on the rooftop but nothing major as far as he could see. He sent Ms. Arale pictures and she gave him the go ahead. Mr. Delvas said he told the dealer he cannot put the car under the customer's name because if they don't pay he will have nothing, so he told the dealer to put it under his company name. Mr. Delvas did not know it was salvage until about November 1, 2017. To protect Ms. Arale, he got a warranty for the period of the loan so she could still pay him if there was a problem with the car. The Ministry told him the car was branded salvage, and he called Ms. Arale who said winter is coming and she needed the car. A safety inspection was done on the car and he gave her a loan agreement. He did not give her a Bill of Sale but showed her his Bill of Sale from the dealer and said when she finished paying off the car he would give her a Bill of Sale and transfer it to her. Mr. Delvas said he showed her the car had a rebuilt title because it was salvage and also showed her the Structural Safety paper. She said as long as the car was safe she was good. Mr. Delvas testified that Ms. Arale lied when she testified that she did not know the car was salvage until her body shop told her about it in the winter of 2018.

- [33] With Ms. Dieujuste's car he paid the dealer for the car and put it in his company name. He put a warranty on the car for her protection and his. He gave her the Safety Certificate, Warranty, Disclosure Agreement and Loan Agreement, but did not give her a Bill of Sale. He showed her his Bill of Sale and said when she finisheds paying off the loan, the car would be hers.
- [34] Mr. Delvas said Ms. Cadet was referred by a friend. He told her the car was salvage and had been in an accident but was fixed. He gave her the Safety Certificate, Loan Agreement and a paper that showed her the meaning of the signs on the dashboard. Mr. Delvas admitted that he read in the OMVIC book about how to do a Bill of Sale.
- [35] Mr. Delvas said he should have taken his time to start the business but he has pressure to support his family. Mr. Delvas said he did not have the luxury of time to read the almost 200 pages of the OMVIC book so he thought the easiest thing to do was call OMVIC. He said he joined the Used Car Dealer Association but knew he had to become a dealer to fully use their services. He said he did not know he was doing leasing until OMVIC told him so. He learned from OMVIC that he was acting as a dealer with the three consumers but was unaware of it at the time. None of the customers called him to complain.
- [36] OMVIC submits that Mr. Delvas' past conduct affords reasonable grounds for the belief that he will not carry on business in accordance with the law and with integrity and honesty because he traded in motor vehicles without registration under the Act as a salesperson and as officer and director of Bumblebee caused Bumblebee to trade in motor vehicles without registration under the Act. Trading under the Act includes leasing.
- [37] In closing argument at the end of the hearing, the appellants' legal representative conceded that the appellants were in breach of the Act and it was wrong of them to lease vehicles while unlicensed, but submitted that Mr. Delvas did not know he was in breach of the Act at the time because he was misled by information he said was given to him in a phone call with an OMVIC employee, he took reasonable steps to make sure what he wanted to do was allowed, he made reasonable disclosures to the consumers he dealt with and the consumers were satisfied with their transactions and did not complain.
- [38] The evidence does not support these submissions made by the appellants' legal representative and I do not accept them. That Mr. Delvas was misled by a phone call with an OMVIC employee is not credible. Mr. Delvas testified that he did not know who he spoke to at OMVIC and in his testimony about the

question he asked, Mr. Delvas does not say he intended to lease while unregistered or that the applications of the appellants were pending at the time. The lack of detail given by Mr. Delvas about who and when he spoke to during the alleged phone call with OMVIC makes it difficult to establish that the phone call took place. Even if there was such a phone call with OMVIC, it is not credible that Mr. Delvas was misled by it. As the officer and director of Bumblebee Mr. Delvas is responsible for his own and Bumblebee's compliance with the law. Mr. Delvas has a Canadian university degree and has worked in law enforcement in Haiti and for government in Canada and has business experience in Canada. He was not ignorant of the requirement to register under the Act. He applied for registration for both appellants but chose to conduct business regulated by the Act before the applications had been processed, despite having knowledge of the Act and having taken the course which cautions against this. The conduct of Mr. Delvas in conducting business prior to registration based on an alleged phone call with an unnamed OMVIC employee is not reasonable. Mr. Delvas' evidence that he made reasonable disclosure to consumers, believes they were satisfied customers and that they did not complain is not relevant to the fact that Mr. Delvas was not registered at the time. The Act requires that both appellants are registered prior to conducting business. Mr. Delvas knew of the requirement and chose to do business without being registered. I find that Mr. Delvas' conduct and that of Bumblebee affords reasonable grounds for the belief that Bumblebee and Mr. Delvas will not carry on business in accordance with the law and with integrity and honesty.

[39] The appellants also submit that they stopped leasing vehicles when they found out it was wrong. I find that the respondent has proven its case and in doing so I have considered the whole of Mr. Delvas's conduct. Although Mr. Delvas did stop leasing vehicles after February, 2018, this was just complying with the law as the appellants should have done in the first place. One of the purposes of the Act is protection and safety of the public. A motor vehicle dealer and its salesperson must be able to conduct business in accordance with the law and with integrity and honesty. Members of the public must be able to be safe and feel safe and have trust and confidence that their motor vehicle dealer and salesperson is registered under the Act.

**b. Is refusal to register Bumblebee as a motor vehicle dealer and Mr. Delvas as a motor vehicle salesperson appropriate?**

[40] Even if the respondent has proven a ground of refusal, there can be cases when instead of refusing to register, the imposition of conditions can

adequately protect the public interest. However, in this particular case I do not find that conditions are an appropriate alternative to refusal. Appellants' legal representative said the appellants would be open to conditions, including a supervisor approving the transactions of both appellants for a period of time or any other condition the Tribunal might wish to impose.

- [41] Respondent's counsel submits that OMVIC has no confidence in Mr. Delvas' conduct based on his selling vehicles before being registered. Motor vehicle dealers and salespersons deal with the public. Nothing in the evidence led me to believe that further supervision of both appellants or any other conditions attached to the licences would be appropriate or effective. The impediment to registration of the appellants is the conduct of Mr. Delvas who decided not to await the decision of the respondent whether or not to grant the licences sought but instead made a decision to trade in motor vehicles with consumers based on a telephone call on an unknown date with an unknown representative of the respondent in response to a question that did not accurately represent what the appellants intended to do, and based on conversations with the MTO, a Ministry not involved in licencing the appellants. Mr. Delvas did this in the face of specific undertakings made in his and Bumblebee's applications for registration not to do so. One of the purposes of the Act is the protection of the public in the sales of motor vehicles and the refusal of registration of the applications of both appellants at this time is consistent with that mandate.

**ORDER:**

- [42] For the reasons set out above I order the respondent to carry out the NOP.

LICENCE APPEAL TRIBUNAL



Avril A. Farlam, Vice-Chair.

*Released:* November 15, 2018

