

## 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 -

WILLIAM CORE

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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:** July 25, 2019

**Findings:** Breach of Sections 6 and 9 of the Code of Ethics

**Order:**

1. William Core is ordered to pay a fine in the amount of \$250 no later than **August 30, 2019.**
2. William Core is ordered to successfully complete the Automotive Certification Course, no later than **October 31, 2019.**
3. William Core is ordered to comply with the Act and 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. William Core ("Core") was first registered as a motor vehicle salesperson in about March 1987. Since around or before February 2014, Core was the person in charge of the day to day activities of a registered motor vehicle dealer (the "Dealer").
2. On or about December 10, 2013, Core successfully completed the Automotive Certification course (the "Course").

**OMVIC publications:**

3. Since 2014, OMVIC has issued the following Dealer Standard publications reminding dealers of their all-in pricing obligations:

- a. Issue #3 2014
- b. Issue #4 2014
- c. Issue #3 2015
- d. Issue #1 2016
- e. Issue #2 2016
- f. Issue #3 2016
- g. Issue #4 2016
- h. Issue #3 2017

4. Furthermore, OMVIC issued the following dealer bulletins which also reminded dealers of their all-in pricing advertising obligations:

- a. June 2014 (2 publications)
- b. April 2015
- c. July 2017
- d. August 2017

**Direct prior warnings regarding all-in price advertising:**

5. The Dealer was directly reminded on the following dates of its obligation to advertise all-inclusive vehicle prices:

- a. February 10, 2016
- b. December 2, 2016

**Current advertising non-compliance:**

6. On or before February 23, 2018 the Dealer published an advertisement for a 2018 Chevrolet Equinox LS with an advertised price of \$29,985.
7. On or about February 23, 2018 OMVIC representatives visited the Dealer and made inquiries about the above referenced vehicle while posing as members of the public. A salesperson on behalf of the Dealer advised the OMVIC representatives that in order to

obtain the \$29,985 advertised vehicle price, purchasers were required to apply for a Visa credit card. As such, the Dealer's advertisement omitted the necessary requirements to obtain the price. This is misleading and contrary to sections 4(1) and 9(1) of the Code of Ethics as these sections relate to vehicle advertising only.

8. Moreover, said salesperson, on behalf of the Dealer, also advised the OMVIC representatives that the advertised vehicle price did not include the following mandatory fees:
  - a. \$10 OMVIC
  - b. \$50 gas
  - c. \$295 administration fee
  - d. \$25 environmental tax

As such, the Dealer's advertised price was not all inclusive. This is contrary to section 36(7) of Regulation 333/08, as well as sections 4(1) and 9(1) of the Code of Ethics, as these sections related to vehicle advertising only.

As the person in charge of the day to day activities of the Dealer, Core failed to ensure the Dealer was conducting its business in compliance with the Act and Code of Ethics. As such Core has personally breached sections 6(2) and 9(3) of the Code of Ethics. By failing to ensure the Dealer's advertising complied with the following:

Regulation 333/08

36. Advertising:

- (7) If an advertisement indicates the price of a motor vehicle, the price shall be set out in a clear, comprehensible and prominent manner and shall be set out as the total of,
  - (a) the amount that a buyer would be required to pay for the vehicle; and
  - (b) subject to subsections (9) and (10), all other charges related to the trade in the vehicle, including, if any, charges for freight, charges for inspection before delivery of the vehicle, fees, levies and taxes.

And by failing to ensure the Dealer's advertising complied with the following section of the Code of Ethics:

4. (1) A registrant shall be clear and truthful in describing the features, benefits and prices connected with the motor vehicles in which the registrant trades and in explaining the products, services, programs and prices connected with those vehicles.

It is thereby agreed that Core has breached the following sections of the Code of Ethics, as set out in Regulation 332/08:

- 6 (2) A registered salesperson shall not do or omit to do anything that causes the registered motor vehicle dealer who employs or retains the salesperson to contravene this Regulation or any applicable law with respect to trading in motor vehicles.

9(3) A registrant shall use the registrant's best efforts to prevent error, misrepresentation, fraud or any unethical practice in respect of a trade in a motor vehicle.

**Joint Submission on Penalty**

1. Core agrees to pay a fine in the amount of \$250 no later than **August 30, 2019.**
2. Core agrees to successfully complete the Course, no later than **October 31, 2019.**
3. Core agrees to comply with the Act and 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 breached subsections 6 and 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. William Core is ordered to pay a fine in the amount of \$250 no later than **August 30, 2019.**
2. William Core is ordered to successfully complete the Automotive Certification Course, no later than **October 31, 2019.**
3. William Core is ordered to comply with the Act and Standards of Business Practice, as may be amended from time to time.

Ontario Motor Vehicle Industry Council  
Discipline Committee



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*Paul Burroughs, Chair*