

THE DEALER STANDARD

Consumer Protection • Registrant Professionalism • Consumer Support

OMVIC CEO John Carmichael visits dealerships in Unionville

This fall, OMVIC CEO John Carmichael met with the team at Markham Acura in Unionville, Volvo of Unionville and Yongeside Motors in Richmond Hill, to discuss the impact of COVID-19 on their business. The dealers had the opportunity to discuss the challenges they're currently facing due to COVID-19, the current state of the automotive industry and opportunities for enhanced support from OMVIC.

OMVIC would like to thank everyone for taking time from their busy schedules to participate in these meetings.



From left to right: Markham Acura, Volvo of Unionville

Meeting with registrants across the province is an initiative that OMVIC launched in 2020. If your dealership is interested in meeting with

John Carmichael during our next round of visits in the spring, please reach out to mail to: education@omvic.on.ca.



Upcoming OMVIC holiday closures

'Tis the season! Please note that OMVIC will be closed for the holidays from December 24, 2021 through January 3, 2022.

A reminder that our office is also currently closed to the public.

IN THIS ISSUE

- Muskoka Mystery Shop yields a 50 per cent failure rate
- OMVIC's new Dealer Portal is coming!
- Registration application denied after fraudulent activity revealed
- Motor vehicle salesperson has registration revoked due to tax evasion
- Happy holidays from our CEO John Carmichael
- The Canadian International AutoShow is back!
- September Regulators meeting
- A note from the registration team
- Contacting OMVIC



Muskoka Mystery Shop yields a 50 per cent failure rate

OMVIC's enforcement department recently conducted a mystery shop of the Muskoka area. Results demonstrated a 50 per cent failure rate among registrants, mainly due to a lack of compliance with the all-in pricing requirement.

Need a refresher? OMVIC's website has [resources for dealers](#) to help you understand **all-in pricing**, mandatory disclosures, and

other requirements. This will ensure you remain compliant with the MVDA. We also offer free webinars for dealers upon request, just email education@omvic.on.ca today!

Our Dealer Support team is also available to answer any questions you have about things like all-in pricing, advertising requirements and more. Contact the team today at 1-800-943-6002 or email dealers@omvic.on.ca.



OMVIC's new Dealer Portal is coming!

OMVIC is getting ready to launch a new and easy-to-use dealer portal for our registrants in 2022.

As OMVIC continues along its path to becoming a modern regulator, this new customer relationship

management system (CRM) and dealer portal will streamline how we communicate with registrants. The new portal will have a fresh, easy to navigate design, allowing registrants to easily access their files and information.

Stay tuned for further details and information we'll be sharing in the coming months!

THE ENFORCEMENT FILES

Registration application denied after fraudulent activity revealed

The Licence Appeal Tribunal (LAT) has directed OMVIC to carry out its proposal to refuse a registration application, after it was found the applicant provided false information on their application about the sale and financing of over 15 vehicles.

In a September ruling, OMVIC denied the registration application of **Beatris Bukshtein** after it was found that Bukshtein's past conduct in the motor vehicle sales industry was not in accordance with the law.

The decision also stated that based on the evidence provided, the applicant's behavior did not provide reasonable grounds for OMVIC to believe that she would act with honesty and integrity moving forward.

Bukshtein was employed and registered at various dealerships from 1999 to 2019 as a motor vehicle salesperson. In June 2018, Bukshtein was employed as a financial services manager (FSM) at a Toyota dealership in the GTA. An audit conducted by the dealer group revealed irregularities in transactions facilitated by Bukshtein.

Frequent irregularities seen in the transactions of more than 15 vehicles included: a lack of due diligence in processing motor vehicle transactions, using a permanent residence card to register a vehicle, and failing to verify driver's licenses. As a result of these fraudulent documents, the total loss to lenders involved in the transactions was over \$1 million.

While Bukshtein submitted that she would be more diligent in the future, the tribunal stated this was not a case of financial oversight, but rather a "pattern of carelessness" putting the financial well-being of her employer in jeopardy by facilitating fraudulent activity. The tribunal directed OMVIC to carry out the proposal to refuse Bukshtein's application for registration. [The full decision can be found here on OMVIC's website.](#)



Motor vehicle salesperson has registration revoked due to tax evasion

In a written decision released on November 10th, LAT directed OMVIC to carry out its proposal to revoke the registration of **Toufic Zabian**, making it illegal for him to trade in motor vehicles in Ontario. In this case, the tribunal believed revoking Zabian's registration was necessary to protect the public given both his past and potential future conduct.

Zabian was originally charged in September 2018 with eight offences under the *Income Tax Act* and four offences under the *Excise Tax Act*. He was alleged to have unlawfully and willfully evaded paying income tax by failing to report taxable income on his 2012, 2013, 2014 and 2015 personal income tax returns. He was also alleged to have willfully and unlawfully evaded filing an HST return and remitting these taxes during each of the tax years mentioned above. Two years later, Zabian pleaded guilty

to two of the *Income Tax Act* charges and two of the *Excise Act* charges, and the remaining eight charges were withdrawn.

From 2014 to 2015 Zabian was employed as a registered motor vehicle dealer as a general manager and earned income through commissions on selling vehicles, warranties, and profit sharing in the dealership. Zabian would invoice his employer for these services and directed his remuneration be paid to a numbered company, where his spouse was the sole director. He did not report this income on his 2014 and 2015 tax returns and evaded paying almost \$80,000 in taxes between the two years.

Zabian also collected HST for automobile warranty referral services he provided. He did not file an HST return and remit the tax in each of

2014 and 2015 and evaded paying almost \$40,000 in taxes. The court found Zabian's conduct amounted to a breach of trust which operated to the detriment of other taxpaying Canadians, and his deceptive scheme to hide his income from tax authorities was clearly deliberate.

On January 25, 2021, the Registrar, *Motor Vehicle Dealers Act, 2002*, issued a Notice of Proposal to revoke Zabian's registration as a salesperson because of his tax related convictions. Zabian appealed the revocation to LAT, where a hearing ultimately found Zabian's tax evasion and general willingness to contravene the law disentitled him to continued registration. The tribunal directed the Registrar to carry out its proposal to revoke Zabian's registration. [The full decision can be found on OMVIC's website.](#)

Happy holidays from our CEO John Carmichael

This year was another remarkable one working under the limitations of COVID-19. I am proud to be part of a sector that has proven to be adaptable and resilient, while providing products and essential services to car-buyers across Ontario.

As we welcome 2022, I encourage the automotive retail sector to continue to be tenacious. Amid this pandemic, Ontarians are choosing to purchase or lease motor vehicles to avoid public transportation and keep themselves, their family and those around them safe. Buying a vehicle is the second largest purchase a person will make in their lifetime, and as a regulated professional it is your duty to maintain honesty and integrity when providing service to consumers.

OMVIC looks forward to continuing to work with our industry stakeholders in 2022 and we remain committed to delivering on our mandate to maintain a fair, safe, and informed marketplace for consumers and upholding industry professionalism.

Happy holidays from all of us here at OMVIC!

The Canadian International AutoShow is back!



The 2022 Canadian International AutoShow will take place at the Metro Toronto Convention Centre from February 18 to 27, and OMVIC will be there!

Our booth will include an interactive display where consumers can learn about their car-buying rights and the consumer protection work we do. If you're attending the AutoShow stop by our booth and say hello.



September Regulators meeting

OMVIC hosted a National Vehicle Regulators meeting on September 29, 2021 with participants from British Columbia, Alberta, Saskatchewan, Quebec, and Manitoba. The group talked about COVID-19 and its impact on the industry, including the increase in online vehicle sales across the country.

All provinces are experiencing an extreme inventory shortage for both new and used vehicles due to the microchip shortage. With a lack of new vehicle inventory, used vehicles are also harder to come by and prices are high, adding to the inventory shortage across the country.

A NOTE FROM THE REGISTRATION TEAM: Please note OMVIC's registration department is currently experiencing a higher-than-normal volume of applications, causing a delay in responding to and processing applications. Our registration team is responding to all inquiries in the order they are received.

Thank you in advance for your patience and understanding during this busy time.

CONTACTING OMVIC

THE DEALER STANDARD
is published by the

**ONTARIO MOTOR VEHICLE
INDUSTRY COUNCIL**

65 Overlea Blvd., Suite 300
Toronto, ON M4H 1P1

Tel: 416-226-4500

Toll-Free: 1-800-943-6002

OMVIC is committed to offering excellent customer service and resources to set dealers and salespeople up for success. For support, please use the email addresses listed below.

- **DEALER SUPPORT**
dealers@omvic.on.ca
- **REPORT A CURBSIDER**
nocurbs@omvic.on.ca
- **REGISTRATION**
registration@omvic.on.ca

- **COMMUNICATIONS AND
MEDIA INQUIRIES**
communications@omvic.on.ca
- **EDUCATION**
education@omvic.on.ca