



Ontario's Vehicle Sales Regulator

65 Overlea Boulevard, Suite 300, Toronto ON M4H 1P1

Tel: 416-226-4500 Toll Free: 1-800-943-6002

email: registration@omvic.on.ca

www.omvic.on.ca

DEALERSHIP CLASSIFICATION CHANGE APPLICATION - PAYMENT INFORMATION

For office use only

Reg # :

P-Ref:

Legal Name:

Business Name:

PAYMENT INFORMATION

Applicant's Name:

The application processing fee is \$250.

Cheque Money Order – Payable to the "Ontario Motor Vehicle Industry Council."

If you wish to pay by Visa or Mastercard, please call OMVIC five (5) business days after emailing your application. Do not include any credit card information on this form. You must contact us at 1-800-943-6002 x3197.

If you are applying for **General Dealer or Broker classification**, you must attach a separate payment by certified cheque or money order in the amount of **\$324** payable to the "Motor Vehicle Dealers Compensation Fund." This payment can also be made by Visa or Mastercard.

Do not combine your payments to OMVIC and the Compensation Fund. Refund requests will be considered only if received, in writing, within 48 hours from when this application is received. A \$35 service charge will apply for all NSF cheques or declined credit card payments, and the registration (if granted) may be cancelled.

Note: OMVIC will not start the review of your application until payment is received.



Ontario's Vehicle Sales Regulator

65 Overlea Boulevard, Suite 300, Toronto ON M4H 1P1
Tel: 416-226-4500 Toll Free: 1-800-943-6002
email: registration@omvic.on.ca
www.omvic.on.ca

For office use only
Reg #:
P-Ref:
W - ID:
A - ID:

DEALERSHIP CLASSIFICATION CHANGE APPLICATION

This application is to be completed by registered dealerships seeking approval for a class change. Please note: upon review we may require the submission of additional application, documents, financial information, records or questionnaires regarding the change. For the purpose of this form, the "applicant" is the relevant registered dealership (e.g. the sole proprietorship, partnership, limited partnership or corporation). All Sections (A-D) must be completed in full.

Please note: if you are changing legal entities to affect the class change (e.g. setting up a new corporation, partnership or sole proprietorship), DO NOT USE THIS FORM. Kindly submit a Business Application.

SECTION A: GENERAL INFORMATION

Application Contact Name:

Contact Phone: Contact Email:

Business Information:

Registration Number:

Legal Name of Dealership:

Business (Trade) Name (if applicable):

Current Class of Registration:

- General Dealer (New and Used Motor Vehicles) Wholesaler Broker
General Dealer (Used Motor Vehicles) Exporter Outside Ontario Dealer
Lease Finance Dealer Fleet Lessor (Commercial)

Proposed Class of Registration:

- General Dealer (New and Used Motor Vehicles) Wholesaler Broker
General Dealer (Used Motor Vehicles) Exporter Outside Ontario Dealer
Lease Finance Dealer Fleet Lessor (Commercial)

Current Business Premises:

Street #: Street: Unit #:

City: Province: Postal Code:

SECTION B: DEALERSHIP CLASSIFICATION

If you require additional space you may attach supplementary sheets to this application. **Kindly sign and date all attachments and clearly identify each question number.**

1. Please advise the reason for classification change:
2. Do you anticipate any changes to the officers, directors, partners, owner, shareholders, investors, financing arrangements, signing authorities or to the person in charge?
Yes No
If yes, please explain:

3. Will the applicant hire additional employees?
Yes No
If yes, please explain and list their names(s) and position(s):

4. Will there be any changes regarding the types or average price of vehicles being offered for sale or lease?
Yes No
If yes, please explain:

5. Where will the applicant acquire vehicles?

If you are NOT applying as a General Dealer, please go to Question 9, below.

6. What type of vehicle transactions will the applicant be involved in? (Example: lease, consignment, financing . . .)
7. Does the applicant have an off-site repair facility or a repair agreement for servicing and safety inspection of vehicles?
Yes No
If "yes," kindly provide a Motor Vehicle Inspection Station (MVIS) Number or Mechanic Number for a business or individual who will perform repairs, servicing and safeties of vehicles (please provide information for a business you intend to use):
8. A) Will the applicant accept **deposits** over \$10,000 for a **single vehicle transaction** prior to vehicle delivery?
Yes No

B) Will the applicant take vehicles to sell on behalf of a consumer (i.e. consignments) within its first year of operation?

Yes No

If "yes" to 8A or 8B, the applicant is required to set up a trust account. Please indicate the signing authorities in the relevant space below. We will require a recent bank statement or letter from the applicant's bank confirming a trust account has been set up in the applicant's legal name and business (trade) name (if applicable).

9. For dealers applying in the General, Wholesaler, Exporter or Broker classes, has your bank account changed?

Yes No

If "yes," you will need to provide your account information (bank statement or a letter from your bank confirming an account has been set up).

SECTION C: BUSINESS PREMISES

All applicants must complete this section before registration can be granted. However, if you do not currently have a premises for the dealership, you may complete and submit Section C at a later date or at the final stage of the process. **If you are applying as a General Dealer, you can also obtain the required garage insurance at a later stage. ALL GENERAL DEALERS MUST READ SECTION C OF THE "DEALERSHIP CLASSIFICATION CHANGE APPLICATION INFORMATION" AT THE BACK OF THIS FORM FOR IMPORTANT INFORMATION ABOUT SETTING UP THEIR BUSINESS PREMISES.**

1. Is the applicant changing location?

Yes No

If no, please go to **Section D: Consent and Undertaking.**

Please indicate the capacity of your current and proposed lots:

Current number of vehicles _____ proposed number _____
Monthly rent for current location \$ _____ proposed location \$ _____

Business Premises:

You are not required to submit photographs of your proposed location unless requested to do so. Any photos submitted will not be reviewed for compliance.

Note: The premises cannot be a dwelling unless the applicant has selected the "Wholesaler" or "Broker" class. Dealers in the "Wholesale" class should check Flexible Office Providers on the Registration Services page of our website at www.omvic.on.ca.

Street #: _____ Street: _____ Unit #: _____
City: _____ Province: _____ Postal Code: _____

2. The applicant confirms this proposed location accommodates an exclusive office for the dealership.

Yes

3. The applicant confirms there will be permanent signage at the location for the proposed dealership. Please see the **Dealership Classification Change Application Information** section of this form for signage requirements.

Yes

4. Will this be the only business of any kind operating at the premises and unit number specified above?

Yes No

If "no," please list other businesses at this location:

5. With respect to the business premises indicated above, does the applicant own, rent or lease?

Own Rent/Lease Other, please specify: _____

In support of this application, we require you to attach clear copies of the following documentation. Kindly check the appropriate boxes to identify what you have attached:

- 1- Municipal permit/letter issued to the registrant
- 2- Lease or rental agreement in the registrant's name (if applicable)
- 3- Proof of ownership (deed or recent property tax bill) in the name of the registrant or lessor/landlord

Note: subleases will not be accepted without a copy of the primary lease confirming subleasing is permitted and a signed and dated letter of consent from the owner.

6. If you are applying as a General Dealer, you will be required to provide proof you have Garage Auto Policy (OAP4) with a minimum third party liability coverage of \$1,000,000 within 14 days of your application being approved. By checking "yes" below you are confirming your intention to obtain the required Garage Insurance.

Yes No

If you've answered "no," kindly provide an explanation:

7. Have you ever been turned down for insurance, had an insurance policy cancelled or do you anticipate any problems obtaining the required insurance referenced above? Note: applicants are encouraged to make inquiries with insurance providers to ensure they qualify for Garage Insurance.

Yes No

If you've answered "yes," kindly provide an explanation:

Alternate Mailing Address:

You may request an alternate mailing address if Canada Post does not deliver mail to the business premises. **We require you to attach a letter of confirmation from Canada Post.** See the **Dealership Classification Change Application Information** section for details.

PO Box Rural Route PO Box or Rural Route Number: _____

City: _____ Province: _____ Postal Code: _____

Records Storage Address:

Applicants registered in the "Wholesaler" or "Broker" classes who will work from a dwelling must store their records at an alternate location approved by the Registrar. The location should be a professional document management facility or a professional office (e.g. your lawyer, accountant or bookkeeper's office). **Self-storage or mobile-storage facilities will not be approved.** Kindly complete a **Request for Records Storage Address** form available at www.omvic.on.ca. "Wholesaler" or "Broker" applicants who will operate from a business premises may also apply to store their records at an alternate location. Please see the **Dealership Classification Change Application Information** section of this form for more information.

SECTION D: CONSENT AND UNDERTAKING

All applicants must complete this section.

I confirm that I have not misrepresented or omitted any material facts in any document or statement made in support of this application. I understand that each statement is subject to verification. I understand it is a serious offence to knowingly provide false information in connection with this application. **I further understand the provision of false, incomplete or misleading information, or the omission of information in this application or the documents submitted with it, may result in the refusal, suspension or revocation of registration.**

In order to complete or verify the information provided on this form, it may be necessary for OMVIC to collect additional information from, or to exchange information with, government and relevant non-government sources regarding the applicant, its officers, directors, partners and shareholders or any previous or current business or corporation of which the applicant is an owner, officer, director or partner. On request by OMVIC, I agree to furnish any required authorization or release to obtain information. I consent to the collection of this information as authorized under the *Motor Vehicle Dealers Act, 2002* ("the Act"). I understand this information will be used to determine whether I am and remain qualified for the registration for which I am applying or to ensure compliance with the Act. Only information relevant to my registration will be collected. I further consent to the sharing of any information gathered in the course of processing this application with others as may be considered necessary in the course of determining whether I am and remain qualified for registration or to ensure compliance with the Act. **I understand the consent to the collection and sharing of this information remains ongoing throughout the term of my registration during the application process and for a period of two (2) years thereafter.**

I understand I must notify OMVIC in writing within five days of any changes to this information that occurs following this application being filed. I confirm I have retained a copy of this application for my records.

The registration record, which includes the applicant's name, registration number, business address and registration dates, is part of the public record.

The applicant understands it is a violation of the Act to conduct business as a motor vehicle dealer without benefit of registration from OMVIC.

I confirm that I have read and understood the information provided in the DEALERSHIP CLASSIFICATION CHANGE APPLICATION INFORMATION section of this application.

I certify the information provided by the undersigned in support of this application is, to the best of my knowledge and belief, true.

I certify I am an authorized representative of the applicant (i.e., an officer, director, partner or the sole proprietor).

Print Name of Authorized Individual/Employer

Position of Authorized Individual

Signature of Authorized Individual/Employer

Date Signed (YYYY/MM/DD)

Business Phone

Business Fax

Affirmation of Advisor/Interpreter

This section must be completed by any person who advised the applicant how to respond to questions on this form or who completed this form on their behalf.

I confirm I have a good understanding of written English and have faithfully explained the questions on this form to the applicant and am satisfied the information provided herein accurately reflects the applicant's answers.

Print Name of Interpreter/Translator

Signature of Interpreter/Translator

Date Signed (YYYY/MM/DD)

DEALERSHIP CLASSIFICATION CHANGE APPLICATION CHECKLIST

Have you attached:

Recent bank statement or letter from the applicant's bank as proof of trust account. See Question 8 in Section B – Dealership Classification

Bank statement or letter from the applicant's bank as proof of bank account. See Question 9 in Section B – Dealership Classification

Municipal permit/letter. See Section C – Business Premises

Proof of ownership (deed or recent property tax bill) OR lease or rental agreement in the applicant's name. Also, if you sublease, a copy of the primary lease and signed/dated letter of consent from the owner. See Section C – Business Premises

Confirmation letter from Canada Post to apply for an alternate mailing address. See Section C – Business Premises

Processing fee of \$250 made payable to the "Ontario Motor Vehicle Industry Council." See the Payment Information section. **Note: Additional payment is required for related salesperson applications or transfers.**

Payment of \$324 by certified cheque or money order made payable to the "Motor Vehicle Dealers Compensation Fund" (for "General Dealer" and "Broker" classes only). **Do not combine your payments to OMVIC and the Compensation Fund.** See the Payment Information section.

DEALERSHIP CLASSIFICATION CHANGE APPLICATION INFORMATION

The following information is provided as a guideline only. All applicants are encouraged to review the relevant sections of *The Motor Vehicle Dealers Act, 2002* ("the Act") and its regulations and to consult with a lawyer if they have any questions. After reviewing this information, please call OMVIC at 416-226-4500 (Toronto) or toll-free at 1-800-943-6002 for questions about completing this form.

SECTION A: GENERAL INFORMATION

The alternative classes of registration for a motor vehicle dealer are listed below.

General Dealer (New & Used Subclass)

A business which buys, sells or leases both new and used vehicles. Trillium Automobile Dealers Association members are automatically assigned to this class.

For the purpose of the MVDA 2002, a vehicle is not considered a new vehicle if a permit has been issued under the *Highway Traffic Act* or by another jurisdiction having an equivalent requirement.

General Dealer (Used Subclass)

A business which buys, sells or leases only used vehicles. This class will generally apply to any dealer who is not a new car dealer or wholesaler.

Wholesaler

A business which sells vehicles exclusively to other registered dealers and acquires vehicles only from registered dealers or people/organizations who are exempt from registration under the Regulations. Wholesalers cannot trade with consumers. Wholesalers can do business with dealers who have an equivalent registration or licence in a jurisdiction outside of Ontario. Dealers in the wholesaler class cannot be involved in leasing vehicles.

If you choose to operate your wholesale dealership from a non-commercial address you will be required to complete a Request for Records Storage form.

Broker

20. (1) A motor vehicle dealer registered as a broker shall not act as a motor vehicle dealer, other than,
(a) to act on behalf of a customer who is not a registrant to facilitate a trade in a motor vehicle involving the customer as a party, where the broker has no property interest in the trade and where the broker does not take or handle the funds used to pay for the trade; or
(b) to advertise with respect to the activity described in clause (a). O. Reg. 333/08, s. 20 (1).

(2) It is a condition of registration of a motor vehicle dealer registered as a broker that the dealer shall be not registered in more than one class of motor vehicle dealer and shall not be associated with any other registrant as described in subsection 1 (2) of the *Act*. O. Reg. 333/08, s. 20 (2).

(3) It is a condition of registration as a broker that, when the broker acts on behalf of a customer to facilitate a trade, the broker shall not,
(a) represent the interests of any person other than the customer;
(b) receive compensation from a person who is not a party to the trade; or
(c) receive compensation from more than one party to the trade. O. Reg. 333/08, s. 20 (3).

(4) A motor vehicle dealer registered as a broker shall not sell extended warranties or service plans or facilitate their sale through the broker. O. Reg. 333/08, s. 20 (4).

(5) A motor vehicle dealer registered as a broker shall not take possession of the motor vehicle that is the subject of a trade. O. Reg. 333/08, s. 20 (5).

Exporter

22. A motor vehicle dealer registered as an exporter shall not act as a motor vehicle dealer, other than to buy motor vehicles for the purpose of export outside of Ontario and to advertise with respect to such buying. O. Reg. 333/08, s. 22.

Outside Ontario Dealer

23. (1) A motor vehicle dealer registered as an outside Ontario dealer shall not act as a motor vehicle dealer, other than to buy motor vehicles for the purpose of export outside of Ontario and to advertise with respect to such buying. O. Reg. 333/08, s. 23 (1).

(2) It is a condition of registration as an outside Ontario dealer that the dealer shall not have a place authorized in the dealer's registration to which the dealer invites the public to deal with respect to motor vehicles or from which the dealer trades in motor vehicles. O. Reg. 333/08, s. 23 (2).

Lease Finance Dealer

24. (1) A motor vehicle dealer registered as a lease finance dealer shall not be associated, as described in subsection 1 (2) of the *Act*, with a motor vehicle dealer registered as a general dealer, unless the association is the result of the lease finance dealer and the general dealer both being associated with the same person who is exempt from the *Act* and the regulations as a result of paragraph 21 of subsection 2 (1). O. Reg. 333/08, s. 24 (1).

(2) A motor vehicle dealer registered as a lease finance dealer shall not act as a motor vehicle dealer, other than,
(a) to buy motor vehicles;
(b) to lease a motor vehicle to a lessee if,
(i) the lease is made through a motor vehicle dealer registered as a general dealer, and

- (ii) the lease is for a term of at least 120 consecutive days;
- (c) to sell a previously leased motor vehicle,
 - (i) directly to the lessee, an individual who drove the vehicle during the term of the lease or, if the lessee is a partnership, a partner of the lessee,
 - (ii) to any of the persons described in subclause (i) through a motor vehicle dealer registered as a general dealer,
 - (iii) to a registered motor vehicle dealer, or
 - (iv) at an auction where,
 - (A) the person who arranges for and conducts the auction is exempt from the *Act* and the regulations as a result of paragraph 1 of subsection 2 (1), and
 - (B) the sale is made to a person who, at the time of the sale, is located in another jurisdiction and registered in that jurisdiction as a person with equivalent status to a registered motor vehicle dealer;
- (d) to sell a motor vehicle that the lease finance dealer has repossessed to or through a registered motor vehicle dealer or at an auction where,
 - (i) the person who arranges for and conducts the auction is exempt from the *Act* and the regulations as a result of paragraph 1 of subsection 2 (1), and
 - (ii) the sale is made to a person who, at the time of the sale, is located in another jurisdiction and registered in that jurisdiction as a person with equivalent status to a registered motor vehicle dealer;
- (e) to trade in a motor vehicle with a motor vehicle dealer who is registered as a general dealer or a person who is exempt from the *Act* and the regulations as a result of paragraph 21 of subsection 2 (1);
- (f) to trade in a motor vehicle with the purchaser if,
 - (i) the vehicle is the subject of a conditional sales contract originally entered into between the purchaser and a general dealer, and
 - (ii) the general dealer has assigned its interest under the contract to the lease finance dealer; or
- (g) to advertise with respect to the activities described in any of clauses (a) to (f). O. Reg. 333/08, s. 24 (2).

Fleet Lessor (Commercial)

25. A motor vehicle dealer registered as a fleet lessor in the subclass of commercial lessor shall not act as a motor vehicle dealer, other than,
- (a) to buy motor vehicles or lease motor vehicles as a lessee;
 - (b) to lease a motor vehicle to a lessee who is not a consumer within the meaning of the *Consumer Protection Act, 2002*;
 - (c) to sell a previously leased motor vehicle,
 - (i) to the lessee,
 - (ii) to an individual who drove the motor vehicle during the term of the lease,
 - (iii) to an officer or director of the lessee, if the lessee is a corporation,
 - (iv) to a partner of the lessee, if the lessee is a partnership, or
 - (v) to a registered motor vehicle dealer, or
 - (vi) at an auction where,
 - (A) the person who arranges for and conducts the auction is exempt from the *Act* and the regulations as a result of paragraph 1 of subsection 2 (1), and
 - (B) the sale is made to a person who, at the time of the sale, is located in another jurisdiction and registered in that jurisdiction as a person with equivalent status to a registered motor vehicle dealer; or
 - (d) to advertise with respect to the activities described in any of clauses (a), (b) and (c). O. Reg. 333/08, s. 25.

Person in Charge – Is the person who is at the dealership on a day-to-day basis and has been designated with and accepted primary responsibility for ensuring compliance with the *Act* and Regulations and has authority over employees engaged in the trade (as defined in the MVDA) of motor vehicles (e.g. the General Manager or Dealer Principal).

Officer – Includes the chair and any vice-chair of the board of directors, the president and any vice-president, the secretary and assistant secretary, the treasurer and assistant treasurer and the general manager and the assistant general manager of a corporation or a partner or general manager and assistant manager of a partnership; any other individual designated as an officer by by-law or resolution or any other individual who performs functions normally performed by an individual occupying such office.

Shareholder – Includes any person (or group of related persons) who will have beneficial ownership or control of at least 10% of the equity shares of a corporation. This includes shareholders previously reported to OMVIC who have increased their holdings. Shareholders are also considered Interested Persons.

Signing Authorities – The regulations to the *Act* require dealers to report to OMVIC any changes regarding who will have signing authority on the dealer's bank account, trust account (if applicable) or who will have authority to sign on behalf of the dealership. The individuals reported on this application may be required to submit an Individual Application because they are deemed to be "interested persons" or "associated persons."

SECTION C: BUSINESS PREMISES

Premises Requirements for General Dealers – In addition to the requirements which apply to all dealers, any dealer applying in the General category must satisfy the following additional requirements regarding their business premises:

- a separate, permanent, fully secured and enclosed (walls to ceiling and lockable door) office space for each dealer. The office space must be sufficient in size for the secure storage of six years of books/records, provide an exclusive work area for the dealer to conduct business (including office furnishings – desk, chairs, file cabinets), and provide electricity, heat and access to a washroom/toilet
- be clearly separate from other businesses operating at the location. Note: an exception may be granted if the dealership shares an office with a related business (e.g. a repair facility) that is operated by the same dealership
- sufficient space for the storage or display of any vehicles in the dealer's possession which provides a marked area for the display of vehicles (this area and/or individual parking spots must be clearly marked with the dealership's name) or, display a sign on each vehicle clearly indicating the selling dealer's name. For dealers with no trade name, the legal name can be used
- be easily accessible and open to the public, or able to be reached at a clearly posted phone number, during normal business hours, or at times that are clearly posted for the public to see
- have a premises lease with a minimum term of six months; the lease must permit the sale/inventory of vehicles and provide unrestricted access to the premises by the dealer
- have evidence of compliance with the *Compulsory Automobile Insurance Act* i.e. a statement of insurance (garage auto policy OAP4) with a minimum third-party coverage of \$1,000,000

Address Terms – Street Type is the name after the street name (e.g., Avenue, Street, Road, etc.). Street Direction should be included when the name of the street includes a direction after the street type (e.g., Eglinton Avenue East). In this case "East" is the Street Direction.

Business Address – This is the location from which the applicant will be operating the business. The applicant is not required to provide a business address or a copy of their municipal permit, lease agreement or deed for OMVIC to start processing this application. We will begin processing the application and doing all the necessary background checks with the exception of those relating to the business premises. Once we have completed this process, the applicant will be contacted and will be given a reasonable period of time to identify a specific property from which they would propose to operate. The applicant will not be required to submit a municipal permit, executed lease/rental agreement or deed at this stage. However, they may be asked to provide information concerning the landlord or property owner and an unsigned copy of the lease or rental agreement. Once we have checked the proposed business location, we will advise the applicant whether the application is going to be approved. If yes, we will contact the applicant and advise them that the application will be approved once we receive confirmation that the premises are set up and they are ready to begin operation. Please note, the applicant must be prepared to set up the dealership within 60 days of receiving notification of approval from OMVIC. Once the applicant is ready to begin operation, they will be required to provide documentation to confirm they have made arrangements to operate the business from its proposed location in the form of a lease or rental agreement. If the applicant is subleasing the property, we will require a copy of the primary lease showing that sublease arrangements are permitted. If the primary lease does not permit sublease arrangements, we will require an original letter of consent from the landlord and proof of ownership. Otherwise the applicant will have to find another location from which to operate the business.

If the applicant owns the property, please provide a copy of the deed or a recent property tax bill. We reserve the right to refuse the application if this documentation differs in any material respect from the information previously provided. Once the applicant is approved, an OMVIC inspector will be scheduled to visit the dealership. These inspections are not always done by scheduled appointment so please ensure there is a visible sign and the office is set up with the dealership's books and records available for inspection. At any time during this process, the application may be refused if any information

comes to our attention relating to past conduct, dealership makeup or financial position. If the application is refused, the applicant will be advised as soon as possible.

The applicant will not be allowed to operate from a residence unless they are seeking registration in the "Wholesaler" or "Broker" class. In order to be approved to operate the "Wholesaler" or "Broker" class dealership from a residence, the applicant will need to establish an acceptable Records Storage Address.

The business location address must be in the format shown on this application. Addresses which include Routes, P.O. Boxes, General Delivery, Suburban Services, Lot, Concession, Plan or Block numbers are not accepted. If the applicant does not know the street assigned to the business location (civic address, also known as a 911 address), contact the local municipality. To include an alternative mailing address (e.g., Rural Route, PO Box, etc.) please review instructions under the heading Mailing Address.

Please refer to the "Records Storage Address" section for information about what records the applicant will be required to maintain.

Municipal Permit – A letter or permit which confirms the proposed location of the dealership is permitted and will allow the business to do the activity for which it is applying (e.g. motor vehicle trade, wholesale office, service and repair, auto body or home occupation).

Also the property will need to be approved by the city for retail motor vehicle sales if:

- Members of the public will be invited to trade in motor vehicles at this location.
- Vehicles will be stored, displayed or serviced at this location.

Please note:

- The letter or permit must be in the same business name as stated on this application.
- The letter or permit must have the same physical address as stated on this application.

Signage Requirements – For dealers registered in the "General Dealer," "Wholesaler," "Broker," or "Exporter" class:

1. The sign must be permanently mounted, not hung on wires, taped or propped up.
2. Signage must be made of a material which is sufficient to withstand typical weather challenges like rain, snow and wind.
3. Signage in a building lobby must be on the directory and indicate the suite # for the dealership. Signage should then be on the suite and be permanently mounted.
4. If the dealer uses a trade name, it and/or the legal name may be used.

Plus for "General Dealers" and "Brokers":

5. Signage should be posted prominently and be readable from the street that the address is on (that is, if your address is 123 Bank St., the sign must be visible from Bank St.) so that members of the public can identify the dealer's location.

Mailing Address – Please provide an explanation if the applicant needs to set up a mailing address other than the approved location. For example, alternate mailing addresses will usually be accepted if the post office does not deliver mail to the business address. If this is the case, attach a letter from Canada Post confirming this. However, if the applicant would like to request an alternate mailing address due to a problem with the approved business location (e.g., a lack of security), then they may be required to find another location from which to operate the dealership.

Records Storage Address – If the applicant is seeking registration in either the "Broker" or "Wholesaler" class, they may be able to store their books and records at an alternate address. The record storage facility should be a professional document management facility or a professional office (e.g., lawyer's, accountant's or bookkeeper's office). Self-storage or mobile-storage facilities will not be approved. This location must be commercially zoned and there must be an individual present at the location during normal business hours who can assist an OMVIC representative accessing the records. The applicant must provide a signed agreement with the facility explaining how the OMVIC representative can contact this business or facility during normal business hours to access the records. The OMVIC representative must be provided free access to the records whenever requested. The location must be a fixed, secured location with heat, electricity and a work area for the OMVIC representative.

Records kept at the business or records storage address must include but are not limited to:

- Records of motor vehicles (e.g., safety standard certificates, repair or reconditioning records, vehicle permits, etc.).
- Records relating to trades (e.g., consignment, lease, purchase, broker, trade-in, service plan or warranty agreements, payment and commission records).

- Records of business (e.g., employee records, records of associated persons, financing records, loan agreements, bank records, trust account records).

The applicant must ensure records kept at the records storage address are no more than one month out of date.

If the applicant is seeking registration as a Wholesaler or Broker and would like to request the Registrar's approval for a records storage address, please submit a "Request for Records Storage Address" form.

TRANSACTION FEES

The following is a shortened version of our Transaction Fee Frequently Asked Questions. For more information about the transaction fee, please refer to OMVIC's website at www.omvic.on.ca.

• ***What type of vehicle transactions are subject to the fee?***

Under the transaction fee program, dealers are required to remit \$10 for every sale, lease, fleet or export sale **to a non-dealer**, or "as is" transaction on a "per vehicle" basis as a component of their registration renewal fee. Transactions with other registered dealers are exempt.

For the purpose of the transaction fee, a vehicle is any motorized vehicle other than:

- a non-motorized trailer
- a vehicle used primarily for farming
- a specialized construction machine
- a snowmobile
- a vehicle which is not built for use on the road (e.g. ATVs, watercraft, dirt bikes etc. which are not to be used on roads or highways)

Examples of motor vehicles subject to the transaction fee include cars, vans, trucks, SUVs, motorcycles, etc.

• ***What transactions are exempt from the transaction fee?***

The following transactions are exempt:

- Selling or leasing a vehicle directly to another registered dealer, who will then be responsible to remit the transaction fee when it sells or leases the vehicle to a non-registrant
- Selling a vehicle to a bona fide lessee during or at the end of their lease term (note: the transaction fee is applicable at the inception of the lease). Also, if a lessee chooses to re-lease the same vehicle as a way of financing the lease buy-out, this second lease would not be subject to the transaction fee
- Transactions involving buses or commercial vehicles as defined by the Highway Traffic Act unless the customer is an individual obtaining it for personal or family use.

• ***How does the transaction fee work for leases?***

New car dealers are required to remit the transaction fee for leases on behalf of the lessors with whom their manufacturers have arrangements (sometimes referred to as "captive lessors").

This applies regardless of whether the vehicle being leased by the dealer is a new or used car. New car dealers may choose to pass on the transaction fee to consumers through their retail bill of sale. Independent lessors are required to remit their transaction fee payments directly to OMVIC.

• ***If I pass through the transaction fee to customers, where should it be placed on a bill of sale? Is it a taxable fee?***

If you wish, you may record this fee on your bill of sale or lease.

This fee cannot exceed the \$10 OMVIC is collecting. If you are referring to an OMVIC fee (verbally or in writing) you must also indicate the amount is \$10.

For example, if you incorporate the OMVIC fee in the administration fee you currently charge and you refer to it on the bill of sale, you must also indicate OMVIC's portion of the administration fee is \$10.

If you do list it on the bill of sale or lease, you will need to collect and remit both HST and GST directly to tax authorities. You do not need to remit the HST or GST to OMVIC.