

# GUIDELINE

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Guideline topic:	Premises/location
Legislation:	MVDA
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## Key highlights

- Business premises should be, in the opinion of the Registrar, sufficient for the purpose of displaying motor vehicles.
- There are new guidelines for hours of operation and the availability of a point of contact.
- The guidance regarding signage and the display of vehicles has been clarified.
- The expectations for the dealership's physical space have been updated to reflect the [Guideline on Electronic Record Keeping](#).
- OMVIC's responsibility to ensure compliance with other regulatory and enforcement bodies has been spelled out more completely.
- Dealers are required to have appropriate insurance to protect their interests and their customers' needs.

### OMVIC's role and mandate

The Ontario Motor Vehicle Industry Council (OMVIC) administers and enforces the [Motor Vehicle Dealers Act, 2002](#) (MVDA), its regulations and Code of Ethics, as well as relevant sections of the Consumer Protection Act (CPA), on behalf of Ontario's Ministry of Public and Business Service Delivery. OMVIC's mandate is to maintain a fair and informed marketplace by protecting the rights of consumers, enhancing industry professionalism, and ensuring fair, honest, and open competition for registered motor vehicle dealers.

In all cases, OMVIC is responsible for advising other regulatory and enforcement bodies where it finds reason to believe that there might have been violations of any relevant law or regulation, including those beyond OMVIC's own authority.

### Purpose

**This guideline updates the bulletin entitled *New Requirements for General Dealer Premises*, published in February 2014.** It addresses only dealers' physical premises and applies primarily to general dealers.

### Current legislation and regulations

While there is no specific legislative or regulatory authority regarding the appearance and upkeep of dealer premises, there are several references that speak to the matter at hand:

- [Section 6 of the MVDA](#) requires dealers and salespeople (collectively referred to as "Registrants") to conduct business activity with honesty, integrity, financial responsibility and in accordance with the law.

- [Section 9, sub-section 1 of Ontario Regulation 332/08 \(Professionalism\)](#) of the Code of Ethics reads: In carrying on business, a Registrant shall not in any act or omission that, having regard to all of the circumstances, would reasonably be regarded as disgraceful, dishonourable, unprofessional or unbecoming of a Registrant.
- [Section 28, sub-sections 6, 7, and 8 of Ontario Regulation 333/08 \(Place of Business\)](#) speak to requirements at the place of business, including some physical attributes of the location. [Sub-section 9](#) requires dealers to comply with all municipal bylaw requirements that apply to each place from which the dealer trades.

## Guidance

### Location

In the spirit of professionalism outlined in the [Code of Ethics](#), dealers are expected to ensure that their premises:

- Are clearly separate from other businesses operating at the location.
- Are sufficient in the Registrar's opinion for the purpose of displaying motor vehicles.
- Provide 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.

### Hours of operation

- Premises should be easily accessible and open to the public, or be reachable at a clearly posted phone number, email or other means of contact during normal business hours, or at times that are clearly posted for the public to see.

### Signage

According to [Section 30, sub-section 1 of Ontario Regulation 333/08](#), general dealers must maintain a sign on the business premises identifying the registrant and the premises in the manner prescribed by the Registrar. The signage should be sufficient to identify the vehicle dealership. This sub-section does not apply to outside Ontario dealers, lease dealers or fleet lessors.

## Vehicle display

The dealership should:

- be clearly separate from other businesses operating at the location;
- provide at the registered premises an area marked for the display of vehicles (this area and/or individual parking spots must be clearly marked with the dealership's name); and
- display a sign on each vehicle clearly indicating the selling dealer's name.

An exception may be granted to the vehicle display guidance where a dealership operates and shares space with a non-arm's length business, such as a repair shop.

## Physical attributes

The dealership is expected to:

- provide a separate, permanent, fully-secured and enclosed (walls to ceiling and lockable door) office space for each dealer;
- have office space sufficient in size for the secure storage of six years' of books/records or sufficient electronic storage to achieve the same outcome; (see [Guideline for Electronic Record Keeping](#) for details)
- 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.

## Municipal bylaws

- As per [Section 28, sub-section 9 of Ontario Regulation 333/08](#), dealers must comply with all municipal bylaws.
- OMVIC has the right to notify other regulatory and enforcement authorities, including municipal bylaw offices, where there is evidence of non-compliance with municipal bylaws.

## Insurance

- OMVIC reminds dealers that they are required to comply with the [Compulsory Automobile Insurance Act](#). There may be other insurance requirements that apply, as well. Dealers who have questions about those requirements should seek independent legal advice or contact the appropriate regulatory bodies.
- OMVIC has the right to notify other regulatory and enforcement authorities, including municipal bylaw offices, where there is evidence of non-compliance with legal insurance requirements.

#### Related links

- [Code of Ethics](#)
- [Compulsory Automobile Insurance Act](#)
- [Guideline for Electronic Record Keeping](#)
- [Motor Vehicle Dealers Act](#)
- [MVDA Regulations](#)
- [Ontario Garage Policy 4](#)

#### Contact

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