

## INDUSTRY ADVISORY COUNCIL

### TERMS OF REFERENCE AUGUST 2023

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#### PREAMBLE

The Ontario Motor Vehicle Industry Council (“OMVIC”) is a not-for-profit corporation that administers and enforces the *Motor Vehicle Dealers Act, 2002* (the “MVDA”) and certain provisions of the *Consumer Protection Act, 2002*. OMVIC acts in the public interest and ensures a fair, safe and informed marketplace. As a regulator, OMVIC protects consumers and enhances registrant professionalism.

Pursuant to subsection 13.3 (1) of the *Safety and Consumer Statutes Administration Act, 1996* (SCSAA), the Minister of Public and Business Service Delivery issued an order on April 18, 2023, requiring OMVIC to establish an Industry Advisory Council (the “IAC”) representing the interests of motor vehicle dealers and salespersons.

#### PURPOSE

The purpose of the IAC is to provide guidance and advice to the OMVIC Board of Directors (the “Board”) on issues related to its consumer protection mandate and activities, as well as issues identified by OMVIC.

#### COMPOSITION

The IAC members will be selected by the CEO and Registrar of OMVIC based on the criteria outlined below, per the Minister’s order dated April 18, 2023, under SCSAA.

The IAC will be composed of a minimum of five (5) and a maximum of ten (10) members, with representation from the following groups:

- One (1) Representative of each Industry Association representing the interests of motor vehicle dealers or salespersons (Representatives include, directors, officers, employees, or agents).
- At least one (1) member of each Industry Association representing the interests of motor vehicle dealers or salespersons.
- OMVIC Board (one (1) director, drawn from the motor vehicle dealer or salesperson sector)
- Motor vehicle dealers
- Salespersons
- Individuals who are directors, officers, employees or agents of registered motor vehicle dealers

The Chair of the IAC shall be a member of the OMVIC Board who has been drawn from the motor vehicle dealer or salesperson sector.

In addition to the requirements outlined above, OMVIC will endeavour to ensure that members of the IAC:

- Represent diversity in Ontario and include a range of perspectives (ethnic, gender, age, professions).
- Represent geographical diversity in Ontario.
- Have demonstrated credibility, integrity and high ethical standards in their business dealings.
- Are not employees of OMVIC or connected by family or association with employees of OMVIC.
- Are not a member of the OMVIC Board, excluding the IAC Chair, or connected by family or association with an OMVIC Board member.

Industry Associations may recommend a representative for membership. Individual industry representatives may be sourced through a call for applications process administered by OMVIC.

## GUESTS

The IAC may invite industry professionals from various areas of the automotive sector to attend as guests, including but not limited to persons specializing in manufacturing, technology, marketing, financing and insurance.

## TERMS

### Members

Inaugural members of the IAC will be appointed to serve staggered terms of one (1) or two (2) years. Thereafter, new and returning members of the IAC will be appointed to serve a term of two (2) years. Members may be eligible for reappointment at the end of their term at the discretion of the CEO and Registrar of OMVIC, subject to a limit of four (4) consecutive years of service. An individual who has served four (4) consecutive years may be reappointed provided at least one (1) year has elapsed since his or her last term as a member.

Representatives of Industry Associations may serve beyond the usual term limit as they are subject to the tenure of their position within the association office.

### Chair

The IAC Chair shall be appointed annually by the OMVIC Board and shall be a member of the Board drawn from the motor vehicle dealer or salesperson sector. No IAC member shall serve as Chair for more than two (2) consecutive years.

## TERMINATION OF MEMBERSHIP

Any member may resign from the IAC at any time by giving written notice to the IAC Chair or the CEO and Registrar of OMVIC. Such resignation shall be effective on receipt of such notice.

Membership may be terminated by the CEO and Registrar, in consultation with the IAC Chair, for any of the following reasons:

- Poor attendance
- Not participating in the IAC meetings
- Breach of confidentiality or conflict of interest requirements
- No longer a member of the industry community regulated by OMVIC and/or no longer affiliated with an Industry Association
- Other reasons as determined by OMVIC

## ROLES AND RESPONSIBILITIES

The role of the IAC is advisory. Any advice or recommendations of the IAC will be reviewed and considered by the Board and may or may not result in action. The role of the IAC includes:

- Providing feedback on consultation plans prepared to support policy and regulatory changes.
- Reviewing consultation results and providing advice on proposed policy and regulatory changes.
- Exploring ways and means to improve service delivery, industry awareness, education and engagement.
- Providing advice on emerging issues brought forward by OMVIC.
- Identifying issues affecting the industry based on OMVIC's consumer protection mandate.
- Providing recommendations to the OMVIC Board for areas of improvement or review to be considered in the development of OMVIC's annual business plans and strategic plans.
- Preparing a work plan to support its mandate.

The role of the IAC does not include:

- Decision-making on strategic, operational or policy priorities.
- Decision-making on the allocation of financial and human resources.
- Representing OMVIC in public or to the public, including the media.

## QUORUM

A majority of members of the IAC constitutes a quorum.

## MEETINGS

The IAC will meet up to four (4) times per year on a quarterly basis.

Additional meetings may be called at the request of the IAC Chair or the CEO and Registrar (or delegate) of OMVIC.

Meetings will be held in person or virtually via telephonic or electronic means. A quorum must be present for the meeting to go forward.

The IAC Chair and the CEO and Registrar (or delegate) of OMVIC are responsible for setting an agenda for the IAC. The meeting agenda and supporting material will be sent to each member before the meeting.

Meeting minutes will be developed by OMVIC staff, and a draft will be distributed to members following the meeting for approval by the IAC at its next meeting.

## IAC MEMBER EXPECTATIONS

The IAC members will be expected to:

- Regularly attend and actively participate in scheduled meetings, providing advice drawn from their industry experience and observations.
- Be sufficiently familiar and aware of OMVIC's mandate and activities such that they can fulfill the purpose and objectives of the IAC.
- Safeguard the confidentiality of materials and discussions, including refraining from posting details on any social media.
- Refrain from using participation in the forum to gain benefit or influence the organization in a way that may be considered a perceived, potential or actual conflict of interest.

Each member of the IAC shall sign a confidentiality agreement and a conflict of interest declaration and attest to compliance annually.

### OMVIC SUPPORT

OMVIC staff will provide administrative support to the IAC, such as scheduling meetings, distributing an agenda and supporting materials and drafting meeting minutes.

Members will be encouraged to recommend or submit/suggest agenda items to the IAC Chair before a meeting.

OMVIC will provide an orientation for new members, including an overview of OMVIC's strategic direction, the IAC's mandate and member roles and responsibilities.

### REMUNERATION AND EXPENSES

The IAC members will be eligible to receive per diems for meetings attended subject to OMVIC's Board Remuneration Policy, except representatives of Industry Associations.

Financial support for out-of-pocket travel expenses to attend in-person meetings will be provided, including Representatives of Industry Associations, subject to OMVIC's Travel and Meal Expense Reimbursement Policy.

### REPORTING STRUCTURE

The Chair of the IAC will be invited to report to the Board on a quarterly basis to communicate key recommendations and emerging issues.

In addition, the activities of the IAC will be presented in OMVIC's Annual Report.

### TRANSPARENCY MEASURES

The IAC will operate transparently as a representative body of OMVIC. As such, the following transparency measures will be established:

- The IAC membership will be posted on OMVIC's website.
- The IAC's Terms of Reference will be posted on OMVIC's website.

### COUNCIL REVIEW

The IAC's effectiveness in meeting its objectives will be evaluated by OMVIC, along with the Terms of Reference, every two (2) years.

These Terms of Reference may be amended, varied or modified in writing by OMVIC after consultation with the IAC and the Board's Governance and Nominating Committee.

**Approved by the OMVIC Board of Directors on August 30, 2023**