Tribunals Ontario
Licence Appeal Tribunal

Tribunaux décisionnels Ontario
Tribunal d'appel en matière de permis

Citation: Christopher Olschewski v. Registrar, *Motor Vehicle Dealers Act, 2002*, 2026 ONLAT MVDA 18261

Licence Appeal Tribunal File Number: 18261/MVDA

An appeal from a Notice of Proposal to Apply Conditions to a Registration issued by the Registrar pursuant to the *Motor Vehicle Dealers Act, 2002*, S.O. c. 30, Sch. B.

Between:

Christopher Olschewski

Appellant

and

Registrar, *Motor Vehicle Dealers Act, 2002*

Respondent

DECISION

ADJUDICATOR: Jeffery Campbell, Vice-Chair

APPEARANCES:

For the Appellant: Christopher Olschewski, Appellant
Jonathan Gross, Counsel

For the Respondent: Rutumi Tank, Counsel

Heard by videoconference: June 5, 2026

OVERVIEW

[1] Christopher Olschewski (the "appellant") filed a Notice of Appeal on February 3, 2026, from the Notice of Proposal to Apply Conditions to a Registration of the appellant ("NOP") dated January 26, 2026 by the Registrar ("respondent") under the *Motor Vehicle Dealers Act, 2002*, S.O. c. 30, Sch. B. ("*Act*").

[2] The NOP proposes to impose terms and conditions on the appellant's registration on the basis he provided a false statement to the respondent that affords reasonable grounds to believe he will not carry on business with integrity and honesty and in accordance with the law pursuant to s. 6(1)(a)(iii) of the *Act*, and that having regard to the financial position of an interested person (Experience Nissan) the appellant cannot reasonably be expected to be financially responsible in the conduct of business, pursuant to s. 6(1)(a)(i) of the *Act*.

[3] The NOP alleges that Experience Nissan, identified as an interested person with respect to the appellant in the NOP, has entered into bankruptcy insolvency proceedings on September 28, 2025 with debts far exceeding reported assets. With respect to the allegation with respect to making a false statement, the NOP states that the appellant answered "no" when asked whether he currently or had ever been an officer, director, owner, partner or operator of a business/company charged of an offence under any law or involved in bankruptcy proceedings on a Salesperson Change Application (SCA) requesting the addition of a new motor vehicle dealership as an employer.

[4] The proposed conditions are as follows:

1. Christopher Olschewski (the "Registrant") shall comply with all requirements of the MVDA and Ontario Regulation 333/08, the *Code of Ethics* in Ontario Regulation 332/08, OMVIC Guidelines, as may be amended from time to time. The Registrant further agrees to read all correspondence and bulletins from OMVIC as released.

2. The Registrant shall provide the Registrar with notice in writing within five days of any substantive changes to the information they provided in obtaining their registration, pursuant to section 31 of Ontario Regulation 333/08.

3. For a period of six years from the date of these Terms and Conditions take effect:

    a. The Registrant shall not be a partner, shareholder, officer, director, or a person in charge of a dealership.

b. The Registrant shall not be a final signatory on any sales or lease contracts on behalf of a dealer;

c. The Registrant shall not engage in financial decision-making or exercise authority over financial matters on behalf of a dealer, unless such decisions are reviewed by the person in charge; and

d. The Registrant shall not provide any sources of financing, either directly or indirectly, to any dealership without first obtaining prior written approval from the Registrar.

4. The Registrant agrees to immediately enroll in the Ontario Motor Vehicle Industry Key Elements Course (“Key Elements Course”) and to be responsible for all enrollment fees.

5. The Registrant further agrees to successfully complete the Key Elements Course within ninety days of signing the Terms and Conditions and achieve a minimum score of eighty percent in the examination.

6. After four years from when these Terms and Conditions take effect, the Registrant may submit a written request to the Registrar for a reassessment of these Terms and Conditions, at which point the Registrar shall determine whether any amendment or removal is appropriate.

PRELIMINARY ISSUE

[5] At the commencement of the hearing, the respondent requested that the appellant’s Book of Authorities be excluded on the basis that it was filed with the Tribunal and served on the respondent on the same day as the hearing. The respondent submitted that this late service caused prejudice, as it did not have sufficient time to prepare an adequate response to the authorities.

[6] The appellant responded that the four cases included in its Book of Authorities are decisions that are publicly accessible.

[7] I advised the parties that I would admit the authorities contained in the appellant’s Book of Authorities. I further indicated that the respondent would be afforded adequate time to review and respond to each authority, on a case-by-case basis, in order to mitigate any potential prejudice.

[8] While the Case Conference Report and Order dated March 6, 2026 establishes timelines for the filing and service of the Book of Documents, it does not prescribe any timeline for the filing or service of a Book of Authorities.

ISSUES

[9] The issues in dispute in the hearing are:

1. Can the appellant not be reasonably expected to be financially responsible in the conduct of business, pursuant to s. 6(1)(a)(i) of the *Act*, having regard to the financial position of the interested person Experience Nissan? If the answer is yes, what are appropriate terms and conditions to impose on his registration?

2. Did the appellant's alleged conduct amount to provision of a false statement under s. 6(1)(a)(iii) of the *Act* and, if so, does that afford reasonable grounds for the belief he will not carry on business in accordance with the law and with integrity and honesty. If the answer is yes, what are the appropriate terms and conditions to impose on his registration?

THE LAW

[10] Under section 6(1)(a) of the *Act,* an applicant is entitled to be registered as a motor vehicle salesperson unless one of the following criteria is present:

(i) having regard to the applicant's financial position or the financial position of an interested person in respect of the applicant, the applicant cannot reasonably be expected to be financially responsible in the conduct of business,

(ii) the past conduct of the applicant or of an interested person in respect of the applicant affords reasonable grounds for belief that the applicant will not carry on business in accordance with law and with integrity and honesty, or

(iii) the applicant or an employee or agent of the applicant makes a false statement or provides a false statement in an application for registration or for renewal of registration.

[11] Under s. 6(2) of the *Act*, a registration is subject to such conditions that are either consented to by the applicant, applied by the Registrar under s. 9 of the *Act*, as ordered by the Tribunal, or as are prescribed. Section 9 of the *Act* provides that the Registrar may apply conditions to a registration and that the Tribunal may direct the Registrar to carry out its proposal or substitute its opinion for that of the Registrar and attach conditions to its order or to a registration.

[12] The Tribunal must therefore determine whether the applicant cannot reasonably be expected to be financially responsible in the conduct of business or that the past conduct of the applicant, or of an interested person in respect of the applicant, affords reasonable grounds for belief that the applicant will not carry on business in accordance with law and with integrity and honesty, and, if so, whether there are conditions which may be attached to the appellant's licence which will mitigate the risks created by those issues.

[13] The Ontario Court of Appeal has described the applicable standard of proof as follows:

> The standard of proof provided by s. 6(2)(d) of the *Act* is that of "reasonable grounds for belief"…As applied to this case, s. 6(2)(d) of the *Act* required the Registrar simply to show that Mr. Barletta's past or present conduct provides *reasonable grounds for belief that* he will not carry on business in accordance with law and integrity and honour. The Registrar does not have to go so far as to show that Mr. Barletta's past or present conduct *make it more likely than not* that he will not carry on business as required.

[14] At the same time, the "reasonable grounds for belief" must be more than "mere suspicion and will be found to exist "where there is an objective basis for the belief which is based on compelling and credible information." Further, there must be a nexus between the appellant's past conduct and his ability to conduct business as a motor vehicle salesperson serving the interests of the public.

[15] Even if I find that there are reasonable grounds for belief that the appellant will not carry on business in accordance with law and with integrity and honesty, I must still consider whether conditions on registration is the appropriate remedy or whether the public interest can be adequately protected through granting registration with conditions.

RESULT

[16] I order the respondent not to carry out the NOP.

ANALYSIS

Issue 1 - Can the appellant not be reasonably expected to be financially responsible in the conduct of business, pursuant to s. 6(1)(a)(i) of the *Act*?

[17] The respondent has not established that the appellant cannot be reasonably expected to be financially responsible in the conduct of business having regard to the financial position of Experience Nissan.

[18] On October 9, 2025, the appellant submitted the SCA for the purpose of changing his employment as a salesperson from Sturgeon Falls Chrysler Dodge Jeep Ram Inc. to Haliburton Chrysler Dodge Jeep Ram Ltd.

[19] According to the appellant, he was first registered with the respondent in July, 2020 as a salesperson at Muskoka Nissan, at which he was also General Manager. He subsequently began acquiring auto dealerships, and by late 2024 he owned Rouge Valley Mitsubishi in Scarborough, Ontario (Rouge Valley); Muskoka Nissan in Bracebridge, Ontario (Muskoka); and Experience Nissan in Orillia, Ontario (Experience).

[20] The appellant testified that he had received financing for the Experience dealership through Nissan Canada Inc. (NCI). That financing was subject to a "Cross-Guarantee, Cross-Collateral and Cross-Default Agreement" which, simply put, intertwined the financial obligations of all three dealerships to the lender. In practical terms, a breach or default by one dealership would trigger an obligation on the others to address that breach or default.

[21] The appellant testified that, in January 2024, he received a call from his bank notifying him that the financing of the sale of vehicles involving 7 Vehicle Identification Numbers at Rouge Valley had been flagged as fraud. The appellant testified that, at that point, he called the involved customers as well as reported the fraud to police. He also promptly notified the Ontario Motor Vehicle Industry Council (OMVIC).

[22] Investigations determined that the fraud was perpetrated by two senior employees at Rouge Valley. The fraudulent conveyances, their financial consequences and subsequent contractual breaches set in motion NCI's request for a receiver to be appointed over, among others, Experience, Muskoka and Rouge Valley.

[23] According to an NCI Application to appoint a receiver dated January 20, 2025, the Rouge Valley employees sold an aggregate of $1,374,901.29 'out of trust' constituting a default in the loan documents between NCI and, among others, Experience. A report by B. Riley Farber Inc. later identified the amount of out of trust sales to be $2,200,000. This is also the amount noted in the appellant's Notice of Appeal. These losses in turn caused the dealerships to default against their respected covenants with their lenders, including NCI, which in turn, led to NCI's Application to appoint a receiver. Subsequently, Experience was placed under receivership by way of a decision of the Ontario Superior Court of Justice on January 28, 2025.

[24] The respondent submits that the appellant and Experience are interested persons with respect to each other pursuant to s. 6(4) of the *Act.* The appellant does not dispute this, testifying that he is the owner of Experience.

[25] It is the respondent’s submission due to the financial position of Experience, the applicant cannot reasonably be expected to be financially responsible in the conduct of business. Evelyn Ruta, Registration Services Manager with OMVIC, testified on behalf of the respondent. Ms. Ruta presented a Trustee’s Preliminary Report dated October 15, 2025 which lists Experience’s liabilities totaling $22,454.836.88 while the assets totaled $5,014,726.36.

[26] With respect to the fraudulent conveyances, the respondent acknowledges that the appellant reported the fraud to the police once he became aware of it.

[27] The respondent submits that the appellant was a poor financial manager and that the NOP arises from a lack of competence. It submits that, prior to the fraud, there is no evidence that Experience was profitable and requested the Tribunal to draw adverse inference to the fact that the appellant did not provide documentation to establish that it was, indeed, profitable. I decline to do so on the basis that:

a) The respondent bears the onus to establish that the appellant cannot be financially responsible, not on the appellant to establish profitability; and

b) The respondent did not raise the issue of ‘pre-fraud’ financial competency during the examination of its witness. Nor did the respondent raise this issue during the cross-examination of the appellant, allowing for an opportunity during questioning to raise the issue of drawing an adverse inference.

[28] The appellant submits that the financial failure of Experience was due to the fraudulent conveyances, and not by a lack of financial competence.

Conclusion re: Issue 1

[29] As noted, the appellant did not contest that Experience is an “interested person”: as it relates to s. 6(1)(a)(i) of the *Act*. Indeed, the appellant testified that he is the owner and manager of Experience. Further, the appellant advised in an affidavit, sworn on January 27, 2025, that he is the sole director of the [dealerships], which includes Experience. I am therefore satisfied that the appellant and Experience are related persons.

[30] With respect to the alleged financial mismanagement by the appellant, I find no evidence of such conduct in relation to Experience’s insolvency. The respondent did not direct me to any evidence identifying a cause of Experience’s insolvency other than the fraudulent conveyances carried out by employees at Rouge Valley.

[31] I am also satisfied that the appellant acted promptly and appropriately in notifying both the police and OMVIC of the fraudulent conveyances.

[32] Accordingly, I find no evidence that the appellant was financially irresponsible. I therefore conclude that the respondent has not established that the applicant cannot reasonably be expected to conduct business in a financially responsible manner.

Issue 2 - Did the appellant's alleged conduct amount to provision of a false statement under s. 6(1)(a)(iii) of the *Act* and if so does that afford reasonable grounds for the belief he will not carry on business in accordance with the law and with integrity and honesty?

[33] The respondent has established that the appellant made a false statement on the SCA. However, it did not establish that the making of the false statement affords reasonable grounds for the belief he will not carry on business in accordance with the law and with integrity and honesty as set out in s. 6(1)(a)(ii) of the *Act*.

[34] The respondent produced the appellant's SCA dated October 9, 2025, on which the appellant answered "No" to the following question:

> "Are you **currently** (or have you **ever** been) an officer, director, owner, partner or operator of a business/company that has been charged or convicted of an **offence** under **any law** or been involved in bankruptcy proceedings, filed a commercial proposal or had a petition filed against it under any bankruptcy or insolvency legislation, in any jurisdiction?"

[35] In establishing that the appellant's answer on the SCA was false, the respondent presented an Affidavit of Ankur Karnik (Manager, Wholesale Finance of Nissan Canada Inc.), dated January 23, 2025, in support of NCI's application for the appointment of a receiver. In his affidavit, Mr. Karnik outlined the necessity of a receiver to be appointed over those entities due, among other reasons, the insolvency of the debtors.

[36] The appellant submits that he misunderstood the question and did not appreciate that the appointment of a receiver constitutes a bankruptcy or insolvency and had no intention of misleading the Registrar.

Conclusion re: Issue 2

[37] It is clear from the evidence that the appellant answered the question in the SCA falsely. I find it difficult to believe that the appellant did not appreciate that the receivership constituted a bankruptcy or insolvency proceeding. He was the owner of 3 automotive dealerships and well versed in that industry. However, I also find it difficult to understand why he would otherwise falsify the answer, when it would have

been apparent to him that the receivership application was in process. Nevertheless, why he answered as he does not change the fact that the appellant answered the question falsely, whether inadvertently or otherwise.

[38] The question now to be answered is does that false answer afford reasonable grounds for the belief that he will not carry on business in accordance with the law and with integrity and honesty as set out in s. 6(1)(a)(ii) of the *Act*. I am not satisfied that it does.

[39] Considering the evidence as a whole, I conclude that it is not reasonable to find that the appellant will fail to carry on business in accordance with the law, or with integrity and honesty, based solely on a single incorrect response on one application. I further note that there is no evidence before me of any prior OMVIC infractions, consumer complaints, or financial irregularities.

[40] I therefore conclude, on the totality of the evidence, that the appellant's single false answer does not afford reasonable grounds for the belief he will not carry on business in accordance with the law and with integrity and honesty as set out in s. 6(1)(a)(iii) of the *Act*.

CONCLUSION

[41] I have found that the respondent has not established reasonable grounds for the issues before the Tribunal. I therefore order the Registrar not to carry out the NOP.

[42] Even if I had found that the respondent had established reasonable grounds on one or both issues, the imposition of the conditions proposed in the NOP would nonetheless be problematic. Ms. Ruta, speaking on behalf of the respondent, testified that she could not identify any consumer harm that had been inflicted by the appellant and that she was not aware of how the proposed conditions would prevent consumer

[43] harm.

ORDER

[44] I order the respondent not to carry out the Notice of Proposal to Apply Conditions to a Registration.

Released: June 19th, 2026

LICENCE APPEAL TRIBUNAL

Jeffer Campbell
Vice-Chair