



Bulletin

Motor Vehicle Sales Authority of British Columbia



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APV9T forms again changed

Damage reports are "cumulative" not per incident

Dealers are reminded that when they sell a used vehicle that has had repairs, the Motor Dealer Act requirement is to declare the cumulative total of all damages over \$2,000 on the Motor Vehicle Purchase/Sale Agreement.

If a used vehicle had one damage repair for \$750, for example, and another of \$1,800, the damage declaration must show \$2,550. This requirement covers damages caused by accidents, vandalism or theft of the vehicle and includes windshield claims.

The rules are not new. Working co-operatively with the VSA, ICBC is making every effort to have the APV9T forms as accurate and helpful as possible for a smooth transfer of vehicle ownership, while meeting the requirements of the Motor Dealer Act.

Dealers are obligated to report any damage to new vehicles that occurred prior to their sale, if the damage amounts to more than 20 percent of the asking price. This situation can occur as a result of accidents or misadventures during transportation or while displayed on the dealer's premises.

"Accidents" vs. "Damage"

VSA Deputy Registrar Ian Christman explains:

- "In 2000, the BC Court of Appeal made it clear that the type of damage was immaterial. In that case, tires and rims that had been stolen and replaced should have been included in the damage declaration as well as the repairs to the truck's fenders. The decision when read as a whole also makes it clear that it is cumulative damage. The court also rejected the dealer's argument that it was only damage that affects the integrity of the motor vehicle that needs to be disclosed."

The Court judgement read, in part:

- ". . . it seems to me that when component parts of a vehicle are stolen, the vehicle has sustained "damage" in the sense that to restore it to its original condition, it must be repaired by replacing the stolen parts. When the vehicle in question was taken from its owner it was stripped of various parts. It was left resting on its undercarriage without its tires or wheels. It was inoperable in such condition. The "repairs" to the vehicle included fixing the damage to the quarter panels and replacing the wheels and tires."

And:

- "In my view the Legislature has determined, in its wisdom, to qualify the meaning of damage only by the amount of money it costs to repair it. Once the price of repairs reaches \$2,000, the possibility exists that the vehicle has sustained some type of hidden or even permanent damage. The prospective purchaser should be made aware of this fact so that he or she is free to investigate it."

And, referring to an earlier decision in a lower court:

- "In my view, the trial judge erred in his interpretation of the Regulation in question. The damage to the vehicle in question included the loss of the wheels and tires as well as the damage to the rear panels. All of this damage to the vehicle clearly ought to have been disclosed by the dealership...."

