



Best Practices for Obtaining Credit Checks

Part 6 of the *Business Practices and Consumer Protection Act* (BPCPA) states that a consumer's credit history can only be obtained when it is needed to extend credit or collect a debt, review the individual before entering into an agreement, underwrite insurance, or review the individual for employment. However, further rules and regulations apply before a dealer can go ahead and run a credit check on a consumer.

Running multiple credit checks can have a negative impact on a consumer's credit score. As per the BPCPA, it is important to ask for clear consent prior to running a credit report. The BPCPA requires that dealers provide evidence of that consent - the evidence needs to be clearly displayed in an open manner, not hidden deep within paperwork. Ian Christman, Registrar of Motor Dealers, suggests that "getting a consumer to sign a clear consent form is the best practice for meeting the requirements of the BPCPA."

The BPCPA makes it an offence to run a credit report without the consumer's consent or to obtain one for unauthorized reasons. It is also an offence to provide false or misleading information to a credit reporting agency.

The *Personal Information Protection Act* (PIPA) also applies when an individual's personal and credit information is collected without approval. The *Privacy Act* allows a person to sue for damages if they feel that their privacy has been breached. Under this Act, proof of damages is not required.

For best practices, Christman recommends dealers to "show that they are equally concerned about their consumers' privacy, as this can only be beneficial to their business."

2013 Annual Report Now Available Online

The VSA's ninth Annual Report, which covers the year ending March 31, 2013, is available to be viewed on the VSA website. New this year are British Columbia motor vehicle industry sales statistics, in units and dollars, for the past three years.

As in the previous year, the audited financial statements are available as a stand-alone document and are also available online.

[VSA 2013 Annual Report](#)

PDF

[2012–2013 Audited
Financial Statements](#)

PDF

Carfax and R.L. Polk & Co. Sold

Carfax's parent company, R.L. Polk & Co., was recently purchased by IHS Inc. for \$1.4 billion U.S.

Find out more on the acquisition and read about their goals for supporting the automotive industry [here](#).