



Sales Documents Must Be Given to the Buyer

It's the Law!

The consumer services team at the VSA has been receiving an increased number of consumer complaints about the failure of dealers to provide copies of all sales documents. This has included complaints of the buyer not receiving a copy of the fully executed APV9T tax and transfer document as required. The *Motor Dealer Act Regulation* details what is required to be in a written sale or purchase agreement for a new or used motor vehicle. The *Regulation* also includes the following requirement:

*A motor dealer shall give a duplicate copy of the sales or purchase agreement to the purchaser or seller, as the case may be, at the time it is accepted by the motor dealer.**

If an agreement will include financing or is a lease that a dealer is brokering or self-financing, the dealer must provide a written disclosure statement to the consumer. This must be provided before the consumer enters into the credit agreement. The cost of credit disclosure statement must comply with the *Business Practices and Consumer Protection Act*.

Caution: If the agreement has not been accepted by the dealer, or is incomplete at the time the buyer leaves with the vehicle, the transaction is not complete and may not be binding. As a result, an APV9T transfer may be in violation of the law and insurance coverage on the vehicle may not be in force.

Action: If the purchase agreement has been fully executed, including all financing terms, the buyer must be given a copy of the agreement.

**See Motor Dealer Act Regulation Section 21(3)*

Timely completion and distribution of the APV9T is governed by a number of provincial Acts, including the *Motor Vehicle Act*, the *Motor Dealer Act* and the *Provincial Sales Tax Act*. The BC Ministry of Finance has advised that they expect dealers to provide customers with copies of all relevant receipts, bills or invoices inclusive of the APV9T and any Vehicle Purchase Agreement. Failure to abide by these Acts, including withholding documents without authority, is reviewable by the Registrar as an improper business practice. The public can expect a business to comply with all laws applicable to their operations to remain licensed.

Improper Dealership Practices to Restrict Export

The consumer services team at the VSA has also been receiving complaints from buyers about barriers to their ability to resell or export their purchase. The following practices are of concern to the Registrar:

- Recording a lien of any amount without the prior knowledge and consent of the buyer on a vehicle purchased for cash and having no debt owing
- Withholding documents
- Negotiating a sale, then refusing to complete the sale or to return a deposit, unless the buyer also agrees to terms or conditions that restricts the ability of the buyer to transfer or sell their vehicle.

Note: The VSA does not regulate exports. However, the VSA has a responsibility to ensure a marketplace free of improper practices.