



Vehicle Sales Authority
of British Columbia

**IN THE MATTER OF THE *MOTOR DEALER ACT*
AND THE *BUSINESS PRACTICES AND CONSUMER PROTECTION ACT***

UNDERTAKING

(Section 154, *Business Practices and Consumer Protection Act*)

VSA Investigation File: #15-04-062

VSA Hearing File: #15-08-002

WHEREAS the undersigned Mainland Ford Ltd. *dba* Mainland Ford Ltd. (#40139) is a "Supplier" within the meaning of subsection 1(1) of the *Business Practices and Consumer Protection Act*;

AND WHEREAS the Registrar of Motor Dealers (the "Registrar") has reason to believe that the supplier is contravening, is about to contravene or has contravened the *Business Practices and Consumer Protection Act* (BPCPA) or the regulations made thereunder, namely: Section 5 BPCPA, deceptive acts and practices as defined or deemed by sections 4(1); 4(3)(a)(i to viii) 4(3)(b)(i to ix); and/or 4(3)(c)(i to iii).

Specifically:

1. On or about February 24, 2015, at or near Surrey, in the Province of British Columbia, Mainland Ford Ltd. *dba* Mainland Ford Ltd. (Dealer #40139), Karan Kundhal (Salesperson #202313), James Sim (Salesperson #118322), and Calvin Young (Salesperson # 114611) (collectively the "Suppliers") did in relation to a consumer transaction contravene sections 4, 5, 8 and 9 of the *Business Practices and Consumer Protection Act* (BPCPA) by making an oral, written, visual, descriptive or other representation or conduct by the Suppliers to a consumer that had the capability, tendency or effect of misleading Cyril Austin (the "Consumer") during the lease of a 2015 Ford Fiesta VIN#3FADP4BJ2FM159642 (the "Motor Vehicle"). Specifically, the Suppliers:
 - Misled the Consumer into believing that the payments were \$148.00 every two weeks (bi-weekly) when in fact the consumer was charged \$419.00 on the 26th of each month.
 - Changed the terms without the knowledge of the Consumer.
 - Misled the Consumer by failing to disclose all material facts at the time of the lease.
 - Failed to end the lease when requested and had not informed the Consumer of the "cooling off period" in a lease agreement as prescribed by legislation.
 - Failed to provide the Consumer with a completed lease agreement or copy thereof at the time of the lease.

AND WHEREAS, Mainland Ford Ltd. *dba* Mainland Ford Ltd. (#40139) is desirous of resolving this matter without the need for any formal adjudication of the above allegations.

AND WHEREAS, Mainland Ford Ltd. *dba* Mainland Ford Ltd. (#40139) has resolved the consumers' monetary loss to the satisfaction of the consumers and the Registrar by refunding the consumer \$4,000.00.

AND WHEREAS, Mainland Ford Ltd. *dba* Mainland Ford Ltd. (#40139) will complete a system review of its sales/lease procedures and make procedural changes satisfactory to the Registrar within 45 days of signing this Undertaking. These procedural changes are to be forwarded to the Registrar in writing.

NOW THEREFORE Mainland Ford Ltd. *dba* Mainland Ford Ltd. (#40139) undertakes:

- a) To comply with the *Business Practices and Consumer Protection Act* and the regulations made there under;
- b) To ensure that all consumers are fully aware of the cooling off period required to a consumer leasing a vehicle and that there is written documentation of this requirement.
- c) To ensure all material facts are disclosed to consumer prior to purchase/lease of any motor vehicle;
- d) To ensure that all employees of the dealership who are involved in leasing are fully conversant with the leasing legislation and follow this legislation.
- e) To ensure that a minimum of two years of business records are maintained and available at the dealer location and are available for inspection upon request in accordance with Section 20 of the Motor Dealer Act Regulations.
- f) To ensure that all consumers are provided with a copy of the purchase/lease agreement at the time it is accepted by the motor dealer, as required by Section 21(3) of the Motor Dealer Act Regulations.
- g) To supply the Registrar or his delegate requested documentation in a timely manner.

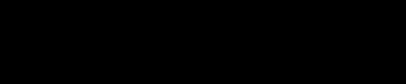
AND THEREFORE the undersigned

- a) Mainland Ford Ltd. *dba* Mainland Ford Ltd. (#40139) undertakes to reimburse the Registrar a total of \$1,518.93 for inspection/investigation and legal costs relating to the subject matter of this Undertaking; and
- b) Mainland Ford Ltd. *dba* Mainland Ford Ltd. (#40139) undertakes to pay an Administrative Penalty in the amount of \$1,500.00 in relation to the issues covered in this Undertaking.

THE UNDERSIGNED hereby acknowledges, represents and declares that he or she has read this Undertaking and has had a reasonable opportunity to obtain independent legal advice as to its terms.

THE UNDERSIGNED further hereby acknowledges that the availability of an undertaking to resolve any future similar allegations or contraventions may be unavailable; and that any similar allegations may be reviewed by the Registrar of Motor Dealers at a formal hearing to consider the allegations.

IN WITNESS WHEREOF the undersigned has set his hand:

Name: <u>Robert Bullock</u>
Signature:  Date: <u>Sept 9/2015</u>

ACCEPTED by the Registrar of Motor Dealers of British Columbia this 9th day of September 2015



Ian Christman - Registrar of Motor Dealers