



Motor  
Vehicle Sales Authority  
of British Columbia

+  
Previously known as the Motor Dealer Council 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: 15-11-235  
VSA Hearing File: 16-05-005**

**WHEREAS** the undersigned Pioneer Garage Limited *dba* Pioneer Chrysler Jeep (Dealer #40047) is a "supplier" within the meaning of subsection 1(1) of the *Business Practices and Consumer Protection Act*, S.B.C. 2004, c. 2;

**AND WHEREAS** the Registrar of Motor Dealers (the "Registrar") has reason to believe that the supplier has contravened subsections 5(1) of the *Business Practices and Consumer Protection Act*, S.B.C. 2004, c. 2 ("the BPCPA"), and paragraph 21(2)(f), section 22 and subsection 27(b) of the *Motor Dealer Act Regulation* (B.C. Reg. 447/78) (the "MDA-R") as follows:

1. In or about October, 2015, Pinnacle Car Sales and Leasing Ltd. (Dealer #30793) caused to be published an advertisement (the "Advertisement") for a for a 2008 Ford F350 Lariat (the "F350") which stated that the F350 had undergone "a comprehensive 3rd party inspection".
2. Lauren Fellner (the "Complainant") viewed the Advertisement on or about October 30, 2015.
3. On or about October 31, 2015, the Complainant and her spouse attended at the Pinnacle dealership located at 16065 Fraser Highway, and there dealt with salesperson Thomas Rayson (Salesperson #114104) with respect to the F350.
4. Rayson, on behalf of Pinnacle, orally represented to the Complainant that the vehicle was clean and safe and that it had passed an intensive inspection (the "Oral Representation").
5. Rayson then passed the file over to salesperson Raymond Hayes (Salesperson # 100603), who completed the transfer, purchase agreement and financial paperwork on behalf of Pioneer Garage Limited *dba* Pioneer Chrysler Jeep (Dealer #40047).

6. Hayes, on behalf of Pioneer, represented to the Complainant that the F350 was safe, roadworthy, suitable for transportation, and insurable under a VIN identified in the purchase agreement (the "Other Representations").
7. With respect only to the matters described herein, Pioneer acknowledges that it is legally responsible for the conduct of Pinnacle, Rayson and Hayes.
8. Contrary to the Advertisement, the Oral Representation, and the Other Representations:
  - (a) The F350 had not undergone a comprehensive or intensive inspection and had not passed a comprehensive or intensive inspection;
  - (b) The F350 was not safe, roadworthy, or suitable for transportation. Specifically:
    - (i) The wiper blades and high beams did not work properly;
    - (ii) After driving 300 kilometers to her home, the Complainant parked the F350 in her driveway and did not drive the F350 until the following morning. **On November 1, 2015, she drove the F350 less than 100 kilometers and while attempting to turn a corner, the steering wheel would not return to position and the vehicle could no longer turn left.** This was due to the failure of the track bar relocating bracket as a result of significant pre-existing damage to the bracket that would have been readily identifiable at the time of sale.
    - (iii) The F350's radius arm bushing was worn out; its wipers would turn on intermittently; the radio would stay on after powering off the truck; and the track bar bushings were worn out.
  - (c) The F350 was not insurable under the VIN identified in the purchase agreement and the Complainant unwittingly drove the vehicle without adequate or any insurance.
9. Hayes implicitly admitted that all representations made concerning the F350 were false insofar as they were derived from information in a file held by Rayson, which was in fact a file for an entirely different vehicle.
10. Despite having implicitly or explicitly admitted to misrepresentation, Pinnacle, Pioneer, Rayson and Hayes each attempted to conceal these misrepresentations. Specifically:
  - (a) Pinnacle, Pioneer, Rayson and Hayes each declined to provide the Complainant with complete paperwork concerning the sale of the F350 until November 18, 2015;

- (b) Pinnacle, Pioneer, Rayson and Hayes, or any one of them, subsequently altered the purchase contract by substituting the VIN, and placing the Complainant's initials next to that alteration.
- (c) Notwithstanding that the Complainant had effectively received an entirely different vehicle than the one represented to her in the Advertisement, the Oral Representation, and the Other Representations, Pinnacle, Pioneer, Rayson and Hayes have at all times refused to unwind the transaction, despite the Complainant's request that they do so, until the commencement of the hearing herein.

**AND WHEREAS** Pioneer, without monetary assistance from Pinnacle, has resolved the consumer's monetary complaint to the satisfaction of the consumer after the commencement of the hearing herein.

**AND WHEREAS** Pioneer has unwound, or is unwinding, its business relationship with Pinnacle.

**AND WHEREAS** Pioneer is desirous of resolving this matter in advance of determinations made by the Registrar after hearing evidence and argument.

**NOW THEREFORE:**

Pioneer Garage Limited *dba* Pioneer Chrysler Jeep (Dealer #40047) undertakes:

1. To comply with the *Business Practices and Consumer Protection Act* and the regulations made thereunder;
2. To comply with the *Motor Dealer Act Regulation*, the *Motor Vehicle Act* and the Regulations made thereunder;
3. To pay an Administrative Penalty in the amount of \$7,500.00 in relation to the subject matter of this Undertaking.
4. To reimburse the Registrar \$15,000.00, or 50% of the inspection/investigation and legal costs incurred to date in relation to the subject matter of this Undertaking, whichever is the lesser.

**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 Registrar may decline to accept an undertaking to resolve any future similar allegations or contraventions; 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 or her hand and seal:

Dealer Name: Pioneer Garage Limited

Signature:  Date: Sept 28, 2016

**ACCEPTED** by the Registrar of Motor Dealers of British Columbia this 28 day of September 2016

  
Ian Christman - Registrar of Motor Dealers