



**IN THE MATTER OF THE *MOTOR DEALER ACT* R.S.B.C. 1996 c. 316 and the
BUSINESS PRACTICES AND CONSUMER PROTECTION ACT S.B.C. 2004, c. 2**

THIS UNDERTAKING is made with an effective date of June 21, 2018

between

M & M Motors, Ltd. dba Mann Motors (#31299)

and

The Registrar, Vehicle Sales Authority of B.C.

WHEREAS:

1. M & M Motors, Ltd. dba Mann Motors (#31299) ("Dealer") is a "motor dealer" as defined Section 1(1) of the *Motor Dealer Act* R.S.B.C. 1996 c. 316 (the "MDA").
2. The "Registrar of Motor Dealers," as defined under the MDA, (the "Registrar") is responsible for the administration and enforcement of the MDA, its regulations, and prescribed provisions of the *Business Practices and Consumer Protection Act* S.B.C. 2004 c. 2 (the "BPCPA").
3. Section 3 of the MDA requires that all motor dealers be registered with the VSA, maintain motor vehicle repair facilities or provide a copy of a service contract providing for satisfactory motor vehicle repair, maintain a sign on the business premises identifying the registrant, and maintains business premises satisfactory to the registrar.
4. Section 11 of the MDA also requires that all motor dealers maintain and occupy an established business premises as set out in the dealer's licence.
5. Section 13(1) of the MDA requires that all motor dealers include the name of the registered dealer in all advertising.
6. Section 13.1 of the MDA prohibits motor dealers from employing or engaging any salespersons unless said salespersons are licensed with the Vehicle Sales Authority of B.C. ("VSA")
7. Section 27(a) of the MDAR requires that a motor dealer, exhibiting or offering a used vehicle for sale must provide the price at which the vehicle is being offered for sale in a clear and legible manner.

8. Section 27(b) of the MDAR prohibits exhibiting or offering for sale used vehicles, which are not suitable for transportation, unless the statement "Not Suitable for Transportation" is clearly and legibly displayed.
9. Section 4(1) of the BPCPA defines "deceptive act or practice" as any conduct, description, or representation by "that has the capability, tendency, or effect of deceiving or misleading a consumer."
10. Section 5 of the BPCPA prohibits deceptive acts and practices.
11. Failure to comply with sections 3, 11, 13, and 13.1 of the MDA can be construed as deceptive acts or practices.
12. Failure to comply with sections 27(a) and (b) of the MDAR can be construed as deceptive acts or practices.
13. Section 8 of the BPCPA defines "unconscionable act or practice" as any conduct, after

consider[ing] all of the circumstances of which the [Dealer] knew or ought to have known... at the time the consumer transaction was entered into, the total price grossly exceeded the total price at which similar subjects of similar consumer transactions were readily obtainable by similar consumers.
14. Section 9 of the BPCPA prohibits unconscionable acts and practices.
15. After an investigation, the Registrar has received information that:
 - a. The Dealer has failed to comply with Section 3 of the MDA, by failing to make satisfactory provisions for the repair of motor vehicles;
 - b. The Dealer has failed to comply with Section 11 of the MDA, by failing to properly identify itself at the business premises, identified in its licence;
 - c. The Dealer has failed to comply with Section 13(1) of the MDA, by operating as a motor dealer, with respect to its advertising, under name(s) other than that identified in its licence.
 - d. The Dealer has failed to comply with Section 13.1 of the MDA, by engaging or employing unlicensed salespersons;
 - e. The Dealer has failed to comply with Section 27(a) of the MDA, by failing to provide accurate information about the sale of used motor vehicles, which it is exhibiting or offering for sale;
 - f. The Dealer failed to comply with Section 27(b) of the MDAR, by failing to clearly provide information that used motor vehicles, which were being exhibited or offered for sale, were "Not Suitable for Transportation;"

- g. Such conduct constitutes the commission of deceptive acts and practices in contravention of Section 5 of the BPCPA; and
- h. The Dealer engaged in unconscionable acts and practices as defined by Section 8 of the BPCPA, specifically, but not limited to, the Dealer's having sold motor vehicles at prices that grossly exceeded the total price at which similar vehicles were readily available.

NOW THEREFORE the Dealer undertakes, acknowledges, and agrees with the Registrar:

- 16. To comply with the MDA, the BPCPA, and the regulations made thereunder;
- 17. To conduct business – whether in person, on-line, or *via* other medium – only under the name, which is registered with the VSA.
- 18. To disclose all salespersons on staff to the VSA Manager of Licensing within thirty (30) days of the making of this Undertaking;
- 19. To disclose the names, full mailing addresses, and phone numbers of all Dealer principals and shareholders to the VSA Manager of Licensing within thirty (30) days of the making of this Undertaking;
- 20. To register all vehicles, on its premises or being exhibited or offered for sale by the Dealer to be registered in the Dealer's name, as stipulated on and required by the APV9T Form.
- 21. To cease and desist immediately from exhibiting, advertising, or offering motor vehicles for sales under the name of Credit Drives or any name other than the one, which is registered with the VSA.
- 22. That it must provide the lowest advertised price on all motor vehicles exhibited or offered for sale to all consumers
- 23. That, after purchasing a sales lead from a 3rd Party, to disclose immediately to the consumer that the consumer is now doing with the Dealer, using the name, which is registered with the VSA.
- 24. All motor vehicles offered for sale unless identified as "Not suitable for Transportation," must pass a Provincial Private Vehicle Inspection (PVI) conducted by a designated inspection facility, or pass a mechanical and safety inspection conducted by a facility using a qualified red seal mechanic using a form that conforms with the PVI standard, that Mann Motors, its officers, directors or employees, has no personal or business interest in;
- 25. That all mechanical work performed on motor vehicles needing repair be performed by a party not associated with Mann Motors, its principals, or its staff.

26. That all inspection and mechanical service records be kept with the Dealer's files, at the Dealer's established business premises.
27. To reimburse Lydia Neil \$1,377.60, which is the amount outstanding to other, after the Dealer unwound the deal, pertaining to VSA File #18-02-074, within fourteen (14) days of the making of this undertaking and provide the VSA with confirmation thereof.
28. To reimburse Marilyn Kane \$400.00, which is the amount outstanding to other, after the Dealer unwound the deal, pertaining to VSA File #18-04-246, within fourteen (14) days of the making of this undertaking and provide the VSA with confirmation thereof.
29. To pay an Administrative Penalty in the amount of \$7,500.00 in relation to the subject matter of this Undertaking within thirty (30) days of the execution of this Undertaking;
30. To reimburse the Registrar a total of \$2,208.19, representing 100% of the investigation and legal costs incurred to date in relation to the subject matter of this Undertaking within thirty (30) days of the execution of this Undertaking;
31. That this Undertaking is binding on the Dealer until such time as it is either terminated in writing by the Registrar or terminated by Order of the Supreme Court of British Columbia;
32. That in addition to rendering the Dealer liable to further penalties and proceedings as provided for under the BPCPA, it is an offence under the BPCPA to fail to comply with any part of this undertaking that has not been previously terminated;
33. That the Registrar, may upon breach of any part of this undertaking by the Dealer, declare the Undertaking to be at an end and may institute such proceedings and take such action under the BPCPA, or the Act as considered necessary;
34. That any communication with the Registrar in connection with this undertaking shall be made to the following.

Registrar of Motor Dealers
Vehicle Sales Authority of B.C.
#208 – 5455 152 Street
Surrey, B.C. V3S 5A5

And in the case of the Dealer to the following address:

M & M Motors, Ltd. dba Mann Motors
Attention Narain Mann
13211 King George Blvd
Surrey, B.C. V3T 2T3

unless another address for delivery is given to the other party, in writing, by either the Registrar, the Dealer, or the Salesperson.

35. The Dealer acknowledges and warrants that it has had an opportunity to seek legal advice as to the terms of this Undertaking.

DATED this 21st day of June, 2018

Representative for M & M Motors, Ltd. dba Mann Motors (#31299)

Signature: Original Signed
Narain Mann

ACCEPTED by the Registrar of Motor Dealers this
21st day of June 2018

Original Signed
Ian Christman
Registrar of Motor Dealers or his delegate