



UNDERTAKING

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, jointly and severally, with an effective date of 14th
February 2019,

by:

SJS AUTO SALES INC. (DL#40381) AND SAYED JALAL SADAT (#201231)

WHEREAS:

1. SJS Auto Sales Inc. ("SJS") is a "motor dealer" as defined under the *Motor Dealer Act* R.S.B.C. 1996 c. 316 ("MDA").
2. Sayed Jalal Sadat ("Sadat") is a "salesperson" as defined under the MDA.
3. The "Registrar of Motor Dealers" ("Registrar"), as defined under the MDA, 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").
4. The Registrar has investigated and received information that:
 - SJS supplied its ICBC vendor number and password to unlicensed salespersons (*i.e.*, a body shop);
 - The body shop purchased salvage vehicles from ICBC auction, repaired them, and advertised them directly to consumers online;
 - Consumers attended this body shop and dealt with unlicensed salespersons;
 - The body shop paid SJS a commission per-vehicle-sold and a number of vehicles were involved over a period of time;
 - SJS created falsified sales agreements and transfer forms, showing that the sales occurred through the dealer; and

- SJS knowingly facilitated the sale of salvage vehicles to consumers through unlicensed salespeople/body shops.
5. The above detailed conduct violates the following statutory provisions:
- Engaged or employed an unlicensed salesperson in respect of the sale of a motor vehicle, in violation of section 13.1 of the MDA;
 - Failed to disclose all material facts, in contravention of section 23 of the *Motor Dealer Act Regulation*; and
 - Engaged in deceptive acts or practices, as defined by section 4 of the BPCPA, in violation of section 5 of the BPCAP.

NOW THEREFORE SJS & Sadat undertake:

6. To comply with the MDA, the MVA, the BPCPA, and the regulations made thereunder;
7. To cease and desist from engaging or involving unlicensed salespersons in respect of the sale of a motor vehicle;
8. To cease and desist from sharing ICBC auction bidding credentials or from conspiring to misrepresent or conceal from ICBC, or any other auction administrator the identity or involvement of other entities behind the purchase of any vehicles being accessed via the ICBC salvage auction or any other automobile wholesale process;
9. For SJS to pay an Administrative Penalty, in the amount of \$3,500.00, to deter SJS from engaging in conduct similar to the aforementioned contraventions of the MDA and the BPCPA in the future;
10. For SJS to reimburse the Registrar a total \$1,600.78 representing 100% of the investigation, hearing, and legal costs incurred to date in relation to this matter within thirty (30) days of the execution of this Undertaking;

SJS FURTHER ACKNOWLEDGES, REPRESENTS, AND DECLARES:

11. That in addition to rendering SJS 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;
12. That nothing herein is intended to resolve any other complaint or investigation not specifically referenced in this Undertaking; and

13. SJS has read this Undertaking and has had a reasonable opportunity to seek and obtain legal advice as its terms.

DATED this 14th day of February 2019

Signature: Original Signed
Sayed Jalal Sadat (#201231), individually and on behalf of SJS Auto
Sales Inc. (DL#40381)

ACCEPTED by the Registrar of Motor Dealers this 14th day of February 2019

Original Signed
Ian Christman, J.D.
Registrar of Motor Dealers