Investigation File No.: 19-06-025

Hearing File No.: <u>20-05-003</u>

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 with an effective date of October 09, 2020 I.C.

between:

Kurt James Holton(SP#103884)

and:

The Registrar, Vehicle Sales Authority of BC

WHEREAS:

- 1. Kurt James Holton (SP#103884), ("SP Holton") is a "salesperson" as defined in 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. An investigation was conducted after a complaint was received by the Vehicle Sales Authority (the "VSA"). During the VSA's investigation, it was discovered that SP Holton:
 - a. At all material times, was the Business Manager at The Pacific Auto Source Ltd.;
 - b. Was aware that the 2001 Toyota Tacoma (the "Vehicle") was being offered for sale on various websites including Craigslist and Facebook, while the Vehicle had several safety and mechanical issues and that in the advertisements it was not being declared that it was "not suitable for transportation" as the legislation requires;
 - c. On June 12, 2019Investigation Officer Bill Manhas, ("IO Manhas") with the assistance of CVSE Inspector Bryan Auld and CVSE Inspector Marcus Sakhon, attended the Dealer lot to conducted a safety inspection of the Vehicle and it was concluded that the Vehicle was unsafe, and the Vehicle was declared "Out of Service";

VEHICLE SALES AUTHORITY OF B.C.

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- d. The Inspection Report was provided to SP Holton;
- e. On June 12, 2019, Industry Standards Officer Christina Walker, at the request of IO Manhas, pulled an ad from Google of the Vehicle being advertised for sale. The ad did not include any information indicating that the Vehicle is "not suitable for transportation" or that it has any safety or mechanical issues.
- 4. The Registrar asserts that the above detailed conduct violates the following statutory provisions:
 - a. Section 27(b) of the Motor Dealer Act Regulation ("MDAR") for failing to advertise the Vehicle as "not being suitable for transportation";
 - b. Code of Conduct provisions at section 33(2)(a), for failing to act with honesty and integrity; and
 - c. Code of Conduct provisions at section 33(2)(i)(iii), for contravening section 222 of the Motor Vehicle Act and Section 8.01 of the Motor Vehicle Act Regulation.

NOW THEREFORE SP Holton undertakes, acknowledges, and agrees with the Registrar:

- 5. To comply with the MDA, BPCPA, and the regulations made thereunder;
- 6. To pay an Administrative Penalty, in the amount of **\$1,000** to deter SP Holton from engaging in conduct similar to the aforementioned contraventions in the future, within thirty (30) days from the execution of this Undertaking;
- 7. To re-take the VSA's Salesperson Course, at SP Holton's own expense;
- 8. 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;
- 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; and
- 10. 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 MDA as considered necessary;
- 11. That any communication with the Registrar in connection with this Undertaking shall be made to the following address: **VEHICLE SALES AUTHORITY OF B.C.**

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Registrar of Motor Dealers Vehicle Sales Authority of B.C. #280 – 8029 199th Street Langley, BC V2Y 0E2

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



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

12. SP Holton acknowledges and warrants that he has had an opportunity to seek legal advice as to the terms of this Undertaking.

DATED this 10 day of October 2020

Kurt James Holton (SP#103884)

Signaturé:

ACCEPTED by the Registrar of Motor Dealers this <u>09</u> day of October 2020 I.C.

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