



**UNDERTAKING**

**IN THE MATTER OF THE *MOTOR DEALER ACT*, RSBC 1996, c 316 and the  
*BUSINESS PRACTICES AND CONSUMER PROTECTION ACT*, SBC 2004, c 2**

**THIS UNDERTAKING**

**BETWEEN:**

Flexcar Auto Group Ltd.  
(DL#40512)

(the "Respondent")

**AND:**

The Registrar of Motor Dealers

**WHEREAS:**

1. Flexcar Auto Group Ltd. is registered under dealer licence no.40512 (the "**Motor Dealer**" or "**Flexcar**"), as defined under the *Motor Dealer Act*, RSBC 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* SBC 2004 c 2. (the "**BPCPA**").
3. The investigation was launched after the consumer, Kiki Linders, filed a complaint against the Dealer regarding the non-disclosure of previous damages to her newly purchased Audi, the damages of which were valued at over \$24,000.
4. On August 3<sup>rd</sup>, 2020, Ms. Linders purchased the Audi from the Dealer which was sold to her by the General Sales Manager, Areeb Zaman (SP# 208987), the transaction of which was based on an inspection report of the Audi provided to her by Mr. Zaman which showed that the Audi was safe and only indicating that the right side passenger door actuator needed to be replaced and a mention of "fluid seepage minor multiple spots" the extended warranty would cover if this became an issue.

4. Once the transaction was finalized, Ms. Linders noticed an apparent brake noise coming from the Audi on her drive home. Ms. Linders reported the concern to the Dealer and the Audi was taken in for inspection. It was then confirmed by the auto shop, Integrity Auto Repair, that the Audi had warped rotors, the damage of which was not reported on the inspection report.
5. On September 3<sup>rd</sup>, 2020, Ms. Linders changed and replaced the battery of the Audi due to a faulty battery on the Audi.
6. Moreover, the auto shop, MW Motor Werke Inc. reported a further 30 mechanical issues that needed repair to the Audi. Ms. Linders incurred and paid for much of the undisclosed damage to the Audi.
7. Extended warranty was offered to the consumer which could not be applied towards the repairs since the coverage capped at \$1,500.00; a limit which was not disclosed to the consumer at the time of purchase nor were the details of coverage.
8. The vehicle has been inspected by three repair shops who verified that the damages should have been disclosed on the inspection report.
9. The Registrar asserts that the Respondents have contravened the following legislation:
  - a) *Motor Dealer Act Regulation*, BC Reg 447/78, ss 33(2)(a) and (c). for failing to act with honesty and integrity during the sale of the Audi by not disclosing the extent of the damage to the Audi on the inspection report and further, by not providing an ideal extended warranty plan consistent with the state of the Audi.

The *Motor Dealer Act Regulation* is "**MDAR**".

- b) *Business Practices and Consumer Protection Act*, SBC 2004, c 2, ss 4(b)(iii)(iv) and 5 (1). for engaging in deceptive acts with the consumer for providing an inspection report that did not accurately represent the damage to the Audi and needed repairs, and by representing that the extended warranty that was purchased by the consumer was adequate to address future repairs when it was not

**NOW THEREFORE** the Respondents undertake, acknowledge, and agree with the Registrar:

1. To comply with the MDA, MDAR, BPCPA, and the sections thereunder;
2. To pay an Administrative Penalty in the amount of **\$4,500.00** in relation to the subject matter of this Undertaking within thirty (30) days of the signing of this Undertaking;

3. To reimburse the Registrar a total of **\$2, 924.61** representing 100% of the investigation costs incurred to date in relation to the subject matter of this Undertaking within thirty (30) days of the signing of this Undertaking;
4. To unwind the purchase of the Audi and reimburse the consumer for the price of the vehicle amounting to **\$13,911.38** as per the purchase agreement as well as the expenses incurred for the repairs and inspections of the Audi amounting to **\$1,274.27** as per expense receipts provided by the consumer;
5. That this Undertaking is binding on the Respondents until such time as it is either terminated in writing by the Registrar or terminated by Order of the Supreme Court of British Columbia;
6. That in addition to rendering the Respondents 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;
7. That the Registrar may, upon breach of any part of this Undertaking by the either of the Respondents, 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; and
8. That any communication with the Registrar in connection with this Undertaking shall be made to the following address:

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

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

Flexcar Auto Group Ltd.  
20290 Logan Avenue  
Langley, BC V3A 4L6

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

The Respondents acknowledge and warrant that they have had an opportunity to seek legal advice as to the terms of this Undertaking.

**Flexcar Auto Group Ltd.**

Withheld - Section 22 FOIPPA

Signature: \_\_\_\_\_

Authorized signatory name: Areeb Zaman

**ACCEPTED** by the Registrar of Motor Dealers this 2nd day of December 2021

"Original signed"

\_\_\_\_\_  
Ian Christman  
Registrar of Motor Dealers