

MOTOR VEHICLE SALES AUTHORITY OF BRITISH COLUMBIA
(Previously known as the Motor Dealer Council of B.C.)

**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**

RE:

KRISTEN HATT

COMPLAINANT

AND:

**THE EIGHT BALL CAFÉ LTD.
dba S&G MOTORS
Dealer Registration No. 30401**

DEALER

File No. 07-70974

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**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**

RE:

HILARY VIRK

COMPLAINANT

AND:

**THE EIGHT BALL CAFÉ LTD.
dba S&G MOTORS
Dealer Registration No. 30401**

DEALER*

REGISTRAR'S DECISION AND ORDER

* Heading continued on the next page

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**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**

RE:

CHAD MARKUS

COMPLAINANT

AND:

**THE EIGHT BALL CAFÉ LTD.
dba S&G MOTORS
Dealer Registration No. 30401**

DEALER

1. On June 18, 2008 a hearing was held whereby the staff of the Motor Vehicle Sales Authority of British Columbia (the "VSA") sought my directions in the above matters.
2. By way of background, the above matters were heard by Registrar of Motor Dealers, Ken Smith, and the following decisions were made:
 - (a) On February 6, 2008 in file No. 07-70122, the Registrar ordered the Motor Dealer take back the vehicle it sold Kristen Hatt and refund her the amount she paid for the vehicle. Ms. Hatt had already received \$615.00 from the Motor Dealer Customer Compensation Fund Board on account of this claim which was to be deducted from the purchase price, for a total owing of \$5038.85.
 - (b) On February 6, 2008 in file No. 07-70974, the Registrar ordered the Motor Dealer to refund Hilary Virk the \$400.00 deposit she had left with the Motor Dealer.
 - (c) On March 26, 2008 in file No. 07-70880, the Registrar ordered the Motor Dealer to pay Chad Markus \$12,500 plus 12% interest calculated for a period of 12 months for the Motor Dealers failure to pay Chad Markus upon selling his vehicle in a consignment arrangement. With interest, Chad Markus is owed \$14,000.00.
 - (d) In all the above cases, the Registrar also ordered that the Motor Dealer pay the VSA for its hearing and investigation costs. The cumulative total of the three investigation and hearing costs is \$5,173.89.
 - (e) The Registrar also order administrative penalties against the Motor Dealer totaling \$4,000 for all three hearings.

3. Since these hearings, the Motor Dealer has closed its business and I am informed is, in reality, bankrupt. There is no way for Ms. Hatt to now return the vehicle to the Motor Dealer. There is, however, \$20,000.00 available from a letter of credit the Motor Dealer had previously provided to the VSA. The staff of the VSA sought directions on how this \$20,000.00 should be distributed.

4. Upon hearing from Hong Wong, Manager of Licensing with the VSA, and Denis Savidan, Manager of Compliance and Investigations with the VSA, I provided oral directions to the staff at the hearing. A request has since been made for written directions. Those directions are:

- (a) Upon Kristen Hatt selling the motor vehicle, Ms. Hatt is to be paid the difference from the selling price and the amount currently owing to her of \$5038.85;
- (b) Hilary Virk is to be paid the \$400.00 owing to her;
- (c) Chad Markus is to be paid the \$14,000.00 owing to him;
- (d) If there is any funds left after the above three claims have been paid out, any remaining funds are to be applied to the VSA's investigation and hearing costs; and
- (e) If by chance there are still funds available after the above four claims have been paid out, any remaining funds are to be applied to the administrative penalties.

Dated: July 7, 2008



Ian Christman B.A., LL.B.