

# IN THE MATTER OF THE MOTOR DEALER ACT AND THE BUSINESS PRACTICES AND CONSUMER PROTECTION ACT

## **UNDERTAKING**

(Section 154, Business Practices and Consumer Protection Act)

### WHEREAS the undersigned

### Key West Ford Sales Ltd.

is a "supplier" within the meaning of subsection 1(1) of the Business Practices and Consumer Protection Act;

**AND WHEREAS** the Registrar of Motor Dealers (the "Registrar") has reason to believe that the supplier is contravening, is about to contravene or has contravened the *Business Practices and Consumer Protection Act* or the regulations made hereunder, namely:

- 1. On or about August 27, 2008 at or near the city of New Westminster BC did commit or engage in a deceptive act or practice wherein a representation by a supplier that uses exaggeration, innuendo, or ambiguity about a material fact or that fails to state a material fact, if the effect is misleading specifically that an advertisement appearing on page D10 in the August 27, 2008 issue The Province Newspaper:
  - failed to state the required credit details to purchase a 2008 Ford Focus SE Edition #283076; a 2008 Ford Ranger #289425 and a 2008 Ford Escape #284727 and
  - claimed under BUY ONE GET ONE FREE that the vehicles identified as BRAND NEW and BUY ONE were 2007 models while the GET ONE FREE were 2008 model

contrary to section 5 of the Business Practices and Consumer Protection Act.

2. On or about August 27, 2008 at or near the city of New Westminster, British Columbia, did commit or engage in a deceptive act or practice wherein a representation by a supplier about the total price of goods or services if a person could reasonably conclude that a price benefit or advantage exists but it does not - specifically that an advertisement appearing on page D10 in the August 27, 2008 issue The Province Newspaper claimed that a person could purchase a BUY ONE GET ONE FREE vehicle when in fact the person was not receiving a FREE vehicle as the BUY ONE vehicle was valued at the full 2007 MSRP price and the 2008 was discounted contrary to section 5 of the Business Practices and Consumer Protection Act.

#### **NOW THEREFORE** the undersigned:

- 1. Hereby undertakes:
  - (a) To comply with the *Business Practices and Consumer Protection Act* and the regulations made thereunder:
  - (b) To refrain from engaging in the following acts or practices:

- (i) deceptive acts or practices and more specifically engage in advertising wherein the credit details were not disclosed in the advertisement; and
- (ii) mislead consumers into believing that a price benefit or advantage exists when it does not.
- (c) To adhere to the advertising requirements listed in the Motor Dealer Advertising Guidelines October 2007 as amended from time to time:
- (d) To reimburse to the Registrar for the costs of inspection, including actual legal costs, relating to the matters which are the subject matter of this Undertaking, namely: investigation costs amounting to \$312.69
- 2. Hereby acknowledges, represents and declares:
  - (a) That Denis Savidan proposed to Dick Crompton of Key West Ford Sales Ltd. that they sign an Undertaking, to pay the investigation costs and to accept Administrative Penalty in the amount of \$2,000.00 instead of attending a Hearing Before the Registrar of Motor Dealers on December 17, 2008;
  - (d) That this undertaking and the accompanying Notice of Penalty does not absolve Key West Ford Sales Ltd. from any complaints from any consumer who purchased a motor vehicle as advertised and noted in the contraventions noted above;
  - (e) If this Undertaking is given by two or more persons, all the persons named in the Undertaking are jointly and severally responsible for complying with the Undertaking and are jointly and severally liable for the payment of any amounts under the Undertaking and the Notice of Penalty; and
  - (f) That the undersigned have each read this Undertaking and have had the opportunity to take independent legal advice as to its terms.

**IN WITNESS WHEREOF** the undersigned (and each of them, if more than one) has set his/her/its hand and seal (attested by the hands of its duly authorized officers, if applicable):

Name: Key West Ford Sales Ltd. Business Address: 301 Stewardson Way, New Westminster, BC  Date: () - (6-200)
Signature: Title: General Manager
Mark hnert Salesperson # 102696
A
ACCEPTED by the Registrar of Motor Dealers of British Columbia this 16 day of December, 2008
Ian Christman - Registrar of Motor Dealers