



Motor
Vehicle Sales Authority
of British Columbia

Previously known as the Motor Dealer Council of British Columbia

**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*)

VSA File: 10-70845

WHEREAS the undersigned 0705507 B.C. Ltd. dba Kelowna Hyundai is a "supplier" within the meaning of subsection 1(1) of the *Business Practices and Consumer Protection Act S.D.B.C.2004 C.2 (BPCPA)*;

ALLEGATIONS:

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 sections 4 and 5 of the BPCPA in that oral, written, visual, descriptive or other representation or any conduct by the Supplier pertaining to advertisements appearing in the Dealer's Choice Publication issue #3710 page 24 and 25 on September 10-23, 2010, the Dealer's Choice Publication issue #4310 pages 24 and 25 valid October 22 - November 4, 2010, The Okanagan Sunday on September 26, 2010, Page A12 and The Okanagan Sunday on September 26, 2010, Page A12 has the capacity, tendency or effect of misleading consumers, specifically:

1. In an advertisement that appeared in the Dealer's Choice Publication issue #3710 page 24 and 25 valid for September 10 - 23, 2010, the supplier advertised thirty (30) motor vehicles not under any headline banner announcing a specific or special sale, nor was there any expiry date shown for the disclosed prices;
2. In an advertisement that appeared in the Dealer's Choice Publication issue #4310 pages 24 and 25 valid October 22 - November 4, 2010, the supplier advertised twenty-three (23) motor vehicles under the headline banner "Super Hero Sales Event, \$2500 push, pull, drag, Guaranteed Trade Value Discount";
3. In comparing these two advertisements in paragraphs 1 and 2, a number of motor vehicles listed for sale appeared in both ads but at different prices with higher prices recorded in the later ad #4310 and claiming a potential saving when taking into account a \$2500.00 Push Pull Drag - Guaranteed Trade Value Discount and identifying the pricing as "Super Hero Price when no such saving occurred:

#	Motor Vehicle & Stock Number	See Par. 6 Below	Advertised Price in #3710	Advertised Price in #4310	Price Difference Column
1	2005 Ford Mustang, stock # U5184381	6.1	\$17,900.00	\$19,995.00	\$2,095.00
2	2000 Toyota Corolla, stock # UC799273	6.2	\$6,900.00	\$7,995.00	\$1,095.00
3	2007 Chevrolet HHR, stock # US528517		\$12,900.00	\$14,995.00	\$2,095.00
4	2003 Pontiac Grand Prix, stock # UF104897	6.4	\$8,900.00	\$10,995.00	\$2,095.00
5	2007 Nissan Versa, stock # UL418930		\$12,900.00	\$13,995.00	\$1,095.00
6	2006 Chevrolet Cobalt, stock # U7810315	6.6	\$11,900.00	\$12,995.00	\$1,095.00
7	2008 Hyundai Accent Sport, stock # UU057713	6.7	\$15,900.00	\$16,995.00	\$1,095.00
8	2009 Hyundai Sonata, stock # UH548104		\$15,900.00	\$16,995.00	\$1,095.00

4. In an advertisement that appeared in The Okanagan Sunday on September 26, 2010, Page A12 the supplier advertised 16 vehicles under a banner "Kelowna Hyundai Fall Clearout" "On Sale All The Time At www.kelownahyundai.com".
5. In an advertisement that appeared in The Okanagan Sunday on October 25, 2010, Page A12 the supplier advertised 36 motor vehicles under the banner "Super Hero Sales Event, \$2500 Push Pull Drag! October 23-25! Extended until Oct. 31st".
6. In comparing these two advertisements, a number of motor vehicles listed for sale appeared in both ads but at different prices with higher prices recorded in the October 25, 2010 advertisement and claiming a potential saving when taking into account a \$2500.00 Push Pull Drag - Guaranteed Trade Value and identifying the pricing as "Super Hero Pricing" when no such savings occurred:

#	Motor Vehicle & Stock Number	See par. 3 Above	Advertised Price Sep. 26, 2010	Advertised Price Oct. 25, 2010	Price Difference Column
1	2005 Ford Mustang, stock # U5184381	(3.1)	\$17,900.00	\$19,995.00	\$2,095.00
2	2000 Toyota Corolla, stock # UC799273	(3.2)	\$6,900.00	\$7,995.00	\$1,095.00
3	2003 Pontiac Grand Prix, stock # UF104897	(3.4)	\$8,900.00	\$10,995.00	\$2,095.00
4	2006 Chevrolet Cobalt, stock # U7810315	(3.6)	\$11,900.00	\$12,995.00	\$1,095.00
5	2008 Hyundai Accent Sport, stock # UU057713	(3.7)	\$15,900.00	\$16,995.00	\$1,095.00
6	2007 Santa Fe Ltd., stock # UH124865		\$24,900.00	\$25,995.00	\$1,095.00

7. Under Pre-owned vehicle section of the supplier's website www.kelownahyundai.com it states: "We don't mark em up to mark em down at Kelowna Hyundai".

NOW THEREFORE the undersigned undertakes:


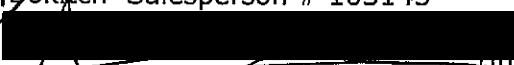
1. To comply with the BPCPA and its regulations;
2. To refrain from engaging in any acts or practices that mislead consumers; and
3. To ensure the pricing of motor vehicles in any current advertisement and affixed to the corresponding motor vehicles do not exceed prices previously advertised or stating that the motor vehicles are reduced or are a saving from previous pricing, or alternately not mark the prices up to mark them down to provide a semblance or appearance of a savings.

FURTHERMORE the undersigned hereby agrees;

1. To reimburse to the Registrar a total of \$876.88 for inspection/investigating costs relating the subject matter of this Undertaking.

THE UNDERSIGNED hereby acknowledges, represents and declares that he has read this Undertaking and has had a reasonable opportunity to obtain 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: 0705507 B.C. Ltd. dba Kelowna Hyundai Dealer # 30301 3260 Highway 97 North, Kelowna, BC V1X 5C1	
Date: <u>JAN 21, 2011</u>	
Signature: 	Title: Dealer Principle/Part Owner
<u>John Bokitch</u> Salesperson # 105145	
Signature: 	Title: Dealer Principle/Part Owner
<u>Adrian Wyant</u> Salesperson #105358	

ACCEPTED by the Registrar of Motor Dealers of British Columbia this 7 day of February 2010



Registrar of Motor Dealers