



## Registrar's Clarifications

**Ian Christman, Registrar of Motor Dealers**

The VSA staff is often asked to explain the definition of a salesperson and an offsite sale. Here are plain language definitions:

### What is a *salesperson*?

A salesperson is an individual who is a motor dealer or who acts on behalf of a motor dealer with the expectation of receiving a fee, gain, or reward and who *participates* in any way in the *sale* of a motor vehicle to a consumer.

A *sale* means any *sale, lease, transfer by any means, or supply* of a motor vehicle to an individual primarily for their personal or family use. The individual can *participate* in the sale by *soliciting, negotiating or arranging* any part of the sale.

*Soliciting* means asking consumers, in any way, if they are interested in a motor vehicle.

*Negotiating* means trying to induce consumers, in any way, to discuss the terms of an agreement.

*Arranging* means planning or preparing a sale, including by referral or locating financing.

For example, a dealership *greeter* must have only the duties normally associated with a receptionist to avoid qualifying as a salesperson. A salesperson need not be an employee of a motor dealer. An individual referring consumers to a dealership in the expectation of some fee, gain or reward, also known as *bird dogging*, also meets the definition of a salesperson.

### What is an *offsite sale*?

An offsite sale is when a motor dealer displays inventory in any location other than the dealer's registered premises and *offers to sell, lease, transfer by any means or supply* a motor vehicle to consumers while operating from that location.

A motor vehicle is being offered for *transfer*, if a *salesperson* is present and in any way *solicits, negotiates or arranges* the *transfer by any means* of such a motor vehicle on behalf of a motor dealer.

All offsite sales require a permit. Three weeks notice is required. Please see the offsite sales policies, including fees and general requirements, on the VSA website.

### Watch Out for Hurricane Sandy Vehicles

The effects of Hurricane Sandy go well beyond damaged neighbourhoods and houses. Many vehicles suffered damage from salt water surges and freshwater flooding. These vehicles are now considered to be salvage – they have been written off by an insurance company and are deemed unsafe to drive. They can only be sold for parts or for scrap. It is crucial for dealers to be aware of this situation as they may be offered vehicles from the East Coast. It is the dealers' responsibility to ensure that these vehicles are not sold for transportation unless they are properly inspected, and that the consumer is fully informed of their history. CarProof has launched a free check to identify vehicles with known water damage or prior registration in the hurricane area:

<https://www.carproof.com/free-flood-damage-check.aspx>