



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 Files: 12-70536

WHEREAS the undersigned Red Sea Auto & Sales Limited #30487 and Raquel Hernandez-Lazo Salesperson #100455 are each 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* (BPCPA) or the regulations made thereunder, namely:

Section 5(1) BPCP: (Sections 4(1) and 4(3)(a)(i to viii) 4(3)(b)(i to ix) and/or 4(3)(c)(i to iii).

Specifically:

On or about the 14th day of March 2012 at or near Kamloops in the Province of British Columbia, Red Sea Auto & Sales Limited (Motor Dealer), Raquel Hernandez-Lazo (Sales Person#100455), Franklin Juarez Hernandez (Sales Person#109198) and Jean Paul Page (Sales Person#108524) did in relation to a consumer transaction contravene sections 4 and 5 of the Business Practices and Consumer Protection Act (BPCPA) by making an oral, written, visual, descriptive or other representation or conduct by the Supplier to a consumer that had the capability, tendency or effect of misleading Brooke Kathryn Mellish ("the Consumer") in the purchase of a 2003 Dodge Ram 3500 Truck, VIN 3D7MU48C433G772406 having 446,532 kilometers on the odometer ("the Motor Vehicle"). Specifically the Suppliers:

- Stated that the Motor Vehicle had just been received by them, and they had not yet had an opportunity to have the Motor Vehicle mechanically inspected.
- Sold the Consumer the Motor Vehicle pursuant to a purchase agreement in which the Motor Dealer had marked "true" where it stated that the Motor Vehicle complied with the requirements of the Motor Vehicle Act.

The consumer subsequently, on the 31st day of August 2012 found that the Motor Vehicle was unsafe for transportation by having the Motor Vehicle inspected at a Provincially Licensed Inspection Facility.

The Suppliers at the time of the sale ought to have known that the Motor Vehicle was unsafe for transportation.

AND WHEREAS Red Sea Auto & Sales Limited is desirous of resolving this matter without the need for any formal adjudication of the above allegations.

AND WHEREAS Red Sea Auto & Sales Limited has resolved the consumer monetary complaints to the satisfaction of those consumers and the Registrar.

AND WHEREAS Red Sea Auto & Sales Limited has completed a system review of its operations and made procedural changes satisfactory to the Registrar.

NOW THEREFORE Red Sea Auto & Sales Limited and Raquel Hernandez-Lazo each undertakes:

- a) To comply with the *Business Practices and Consumer Protection Act* and the regulations made there under;
- b) To ensure all material facts are disclosed to consumers prior to purchase of any motor vehicle;
- c) To inspect all vehicles offered for sale prior to sale at an independent Government Licensed Inspection Facility for a period of six months from the date of this undertaking and to maintain records of the inspections in the dealer file.
- d) To use an approved Motor Vehicle Sales Agreement when selling a Motor Vehicle.



AND THEREFORE the undersigned

- a) Red Sea Auto & Sales Limited undertakes to reimburse the Registrar a total of \$2,000.00 for inspection/investigation and legal costs relating to the subject matter of this Undertaking; and
- b) Red Sea Auto & Sales Limited undertakes to pay an Administrative Penalty in the amount of \$1,500 in relation to the issue covered in this Undertaking.
- c) Raquel Hernandez-Lazo undertakes to pay an Administrative Penalty of \$250.00.

THE UNDERSIGNED hereby acknowledges, represents and declares that he or she has read this Undertaking and has had a reasonable opportunity to obtain independent legal advice as to its terms.

THE UNDERSIGNED further hereby acknowledges that the availability of an undertaking to resolve any future similar allegations or contraventions may be unavailable; and that any similar allegations may be reviewed by the Registrar of Motor Dealers at a formal hearing to consider the allegations.

IN WITNESS WHEREOF the undersigned has set his hand:

Name: Red Sea Auto & Sales Limited	
Signature: 	Date: <u>16</u> February 2013.
Raquel Hernández-Lazo (Owner)	
Name: Raquel Hernandez-Lazo	
Signature: 	Date: <u>16</u> February 2013.
Raquel Hernandez-Lazo	

ACCEPTED by the Registrar of Motor Dealers of British Columbia this 19 day of February 2013.


Ian Christman - Registrar of Motor Dealers