



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: 13-70085

WHEREAS the undersigned Shobab Enterprise Ltd. dba Auto Villa #31093, Hamid Mohammed Shobab #116977 and Khaled Shobab #116974 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).

Section 20 and 21(1), Section 21(2), Section 21(3) and Section 23 of the Motor Dealer Act Regulation.

Section 2(2) of the Salesperson Licensing Regulation

Specifically:

#1

Between the 17th of November 2012 and the 28th of November 2012 at or near Burnaby in the Province of British Columbia, Shobab Enterprise Ltd. dba Auto Villa (Motor Dealer), Hamid Mohammed Shobab (Sales Person) and Khaled Shobab (Sales Person) 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 Rachel Jean Jao (the "Consumer") in the purchase of a 2005 Mazda 3 GT, VIN: JM1BK123651224925 (the "Motor Vehicle") specifically the Suppliers: Sold the Consumer the Motor Vehicle and who subsequently found that the Motor Vehicle had been rebuilt and that the damage was to the front end and the rear of the Motor Vehicle and was more significant than as described during the purchase. The suppliers advised the Consumer that the Motor Vehicle had been involved in a motor vehicle accident and advised that the damage that was repaired was minor and mostly cosmetic. The Suppliers at the time of the sale misrepresented the condition of the Motor

Vehicle by failing to disclose to the Consumer the extent of the damage to the Motor Vehicle and the Supplier ought to have known that the damage to the Motor Vehicle existed.

#2

Between the 17th of November 2012 and the 28th of November 2012 at or near Burnaby in the Province of British Columbia , Shobab Enterprise Ltd. dba Auto Villa (Motor Dealer), Hamid Mohammed Shobab (Sales Person) and Khaled Shobab (Sales Person) 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 Rachel Jean Jao (the "Consumer") in the purchase of a 2005 Mazda 3 GT, VIN: JM1BK123651224925 (the "Motor Vehicle") specifically the Suppliers: Sold the Consumer the Motor Vehicle and who subsequently found that the Motor Vehicle was not in a condition that had been described. The suppliers advised the Consumer that the Motor Vehicle had been freshly Air Cared, had a recent mechanical inspection, and that the Motor Vehicle was privately owned and the Dealer was assisting the unlicensed Salesperson with the private sale of the Motor Vehicle. The Suppliers at the time of the sale misrepresented the condition of the Motor Vehicle by failing to disclose to the Consumer the condition of the Motor Vehicle and the Supplier ought to have known the statements made about the Motor Vehicle being freshly Air Cared, having a recent mechanical inspection, and that the vehicle was privately owned and the Dealer was assisting the unlicensed Salesperson with the private sale of the vehicle were deceptive.

#3

Between the 17th of November 2012 and the 28th of November 2012 at or near Burnaby in the Province of British Columbia, Shobab Enterprise Ltd. dba Auto Villa (Motor Dealer), Hamid Mohammed Shobab (Sales Person) and Khaled Shobab (Sales Person) did in relation to a consumer transaction contravene sections 2(2) of the Salesperson Licensing Regulation by allowing Tareq Shobab (unlicensed salesperson) to act in the capacity of a Salesperson during the advertising and sale of the 2005 Mazda 3 GT, VIN: JM1BK123651224925 (the "Motor Vehicle") to Rachel Jean Jao (the "Consumer").

AND WHEREAS, Shobab Enterprise Ltd. dba Auto Villa is desirous of resolving this matter without the need for any formal adjudication of the above allegations.

AND WHEREAS, Shobab Enterprise Ltd. dba Auto Villa will resolve the consumer monetary complaint to the satisfaction of the consumer and the Registrar by making the consumer whole again.

AND WHEREAS, Shobab Enterprise Ltd. dba Auto Villa has completed a system review of its operations and made procedural changes satisfactory to the Registrar.

NOW THEREFORE Shobab Enterprise Ltd. dba Auto Villa, Hamid Mohammed Shobab and Khaled Shobab 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 consumer prior to purchase of any motor vehicle;
- c) To resolve the consumer monetary complaint to the satisfaction of the consumer and the Registrar by making the consumer whole again by reimbursing the consumer the purchase price of the motor vehicle plus taxes for a total of \$5,992.00.
- d) To resolve the consumer monetary complaint to the satisfaction of the consumer and the Registrar by reimbursing the consumer the cost of two inspections of the motor vehicle plus taxes for a total of \$140.00.
- e) To resolve the consumer monetary complaint to the satisfaction of the consumer and the Registrar by reimbursing the consumer half the cost of a two ICBC Insurance Permit obtained to have the motor vehicle Air Cared plus taxes for a total of \$28.00.
- f) To resolve the consumer monetary complaint to the satisfaction of the consumer and the Registrar by reimbursing the consumer the cost of a Car Proof Report and a ICBC Claims History Report on the motor vehicle for a total of \$78.00.
- g) To resolve the consumer monetary complaint to the satisfaction of the consumer and the Registrar by reimbursing the consumer the cost of the repair of the trunk seals of the motor vehicle for a total of \$101.00.
- h) To inspect all motor 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. (All used vehicles to be inspected prior to sale).
- i) To ensure that all persons involved in consumer transactions are licensed Salespersons under the Motor Dealer Act.
- j) To ensure that a minimum of two years of business records are maintained and available at the dealer location and are available for inspection upon request in accordance with Section 20 of the Motor Dealer Act Regulations.
- k) To ensure that all motor vehicle sales are documented on an approved Purchase Agreement which complies with the Motor Dealer Act and the Regulations.

AND THEREFORE the undersigned

- a) Shobab Enterprise Ltd. dba Auto Villa undertakes to reimburse the Registrar a total of \$1,164.96 for inspection/investigation and legal costs relating to the subject matter of this Undertaking; and
- b) Shobab Enterprise Ltd. dba Auto Villa undertakes to pay an Administrative Penalty in the amount of \$1,000.00 in relation to the issue covered in this Undertaking.

c) Hamid Mohammed Shobab undertakes to pay an Administrative Penalty of \$250.00.

d) Khaled Shobab 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: Shobab Enterprise Ltd. dba Auto Villa

Signature: _____ Date: March 22, 2013

Hamid Mohammed Shobab

Name: Hamid Mohammed Shobab

Signature: _____ Date: March 22, 2013

Hamid Mohammed Shobab

Name: Khaled Shobab

Signature: _____ Date: March 22, 2013

Khaled Shobab

ACCEPTED by the Registrar of Motor Dealers of British Columbia this 22 day of March 2013

Ian Christman - Registrar of Motor Dealers