

MOTOR VEHICLE SALES AUTHORITY OF BRITISH COLUMBIA

EDWARD CHIEDUCH

Surrey, B.C.  
November 20, 2014

IN ATTENDANCE:

MR. I. CHRISTMAN,	Registrar
MR. H. WONG,	Manager of Licensing
MR. R. COTE,	Compliance Officer
MS. K. MURPHY,	Licensing Officer

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# Proceedings

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1 if I did.

2 This matter's concern is regarding Mr.  
3 Chieduch's conviction for fraud in 2010, which led to a  
4 subsequent cancelation of his licence by the Insurance  
5 Council of British Columbia.

6 In reviewing a persons application for a  
7 licence where there is a criminal conviction, I am bound  
8 by section 14 of the *B.C. Human Rights Code*, to consider  
9 the situation regarding the conviction and what has  
10 occurred afterwards. Case law to be cited is *Woodwards*  
11 *Stores Limited v. McCartney*, 1983 CANLI, 444, B.C. Supreme  
12 Court.

13 Considerations are if the behavior is  
14 repeated does that pose a threat to the industry, issues  
15 related to the charge itself, and of course issues related  
16 to any rehabilitation that has occurred after the  
17 conviction, such as the time that has elapsed, what has  
18 occurred during this time, has there been repeated  
19 behavior of any evidence of an intention to rehabilitate.

20 Conviction of fraud, if repeated, is a  
21 concern to the public interest. It is a matter for  
22 consideration for a salesperson licence. Salespersons are  
23 bound by the *Business Practices and Consumer Protection*  
24 *Act*, not to make misrepresentations or deceptive and  
25 unconscionable acts.

26 This was a ponzi scheme, according to the

1 information and the evidence. It ran for about two years  
2 before Mr. Chieduch was caught, if you will, and  
3 convicted. It has been four years since the conviction  
4 and the revocation of Mr. Chieduch's licence. He did not  
5 contest the revocation of his licence. In the information  
6 provided from Mr. Cote he says he kind of was happy he got  
7 caught so he could deal with the issues, put it behind  
8 him, and move on.

9 Mr. Chieduch, I note, has obtained  
10 training, he has obtained his red seal cook, first aid,  
11 and forklift training. He has taken counseling, and his  
12 probation -- I'm sorry, parole officer has provided a good  
13 report. There was no repeated behavior, or any indication  
14 of these types of issues.

15 I note that Mr. Chieduch wants to get back  
16 into a better paying position to be able to pay off his  
17 victims. He has got family support, he has taken  
18 counseling, and he has got support from a member in the  
19 industry. He does not have a current job, though.

20 Failure to declare he was incarcerated. I  
21 note on the application form that he declared all other  
22 declarations correctly, he did not appear to have hidden  
23 anything on those forms, and in the interview was very  
24 forthright, and did not seem to try to attempt to hide any  
25 information. His eligibility questions in section E were  
26 answered correctly, he provided a criminal record check

1 which was provided, returned as confirmed as declared when  
2 he made the stat declarations.

3 As to Section F, employment and other  
4 activities, it asks for a five year history. Mr. Chieduch  
5 did not realize that it mean incarceration, he thought it  
6 meant employment or other similar activities. I have  
7 looked at that form. It is not 100 percent clear to  
8 include incarcerations. I can accept, given everything  
9 else Mr. Chieduch has done, is provided truthful answers  
10 and been forthright, that it was in fact an error and  
11 misunderstanding on his part.

12 I've considered the cases of *Badshaw* and  
13 *Bassett* that the Authority has relied on. The *Badshaw*  
14 case of September 24<sup>th</sup>, 2010, file number 0971010. In that  
15 case Mr. Badshaw's licence was revoked because he had been  
16 found to have committed a ponzi scheme. The ponzi scheme  
17 had been recent, there was no history of rehabilitation,  
18 and he had falsified not only his application materials,  
19 but renewal forms. I note that on May 21<sup>st</sup> of this year,  
20 Mr. Badshaw, after four years of being out of the  
21 industry, reapplied for licensing. There was history of  
22 some rehabilitation, no issues, and he was granted a  
23 conditional licence.

24 The other case was Mr. Bassett. Mr.  
25 Bassett's case was of December 2<sup>nd</sup>, 2009, file 09-108822.  
26 In that case, Mr. Bassett had had a recent conviction for

1 a ponzi scheme. There as no -- he was on probation at the  
2 time that he applied and there was no history of  
3 rehabilitation in that matter.

4 Mr. Chieduch's case are as distinguishable  
5 from the two cases. In fact, Mr. Chieduch would appear to  
6 be more closely aligned to Mr. Badshaw of May 21<sup>st</sup> of this  
7 year, of four year history of rehabilitation.

8 Given all these findings, I am going to  
9 grant conditional licence, subject to the following  
10 conditions. First, Mr. Chieduch must successfully the  
11 salesperson certification course. That is an automatic  
12 requirement for any person in the industry.

13 Two, not to handle consumer's money.  
14 Deposits are to be given to employees -- to an employer  
15 immediately.

16 Three, employer, employed by only one  
17 dealer at any one particular time. If he wishes to be  
18 employed by multiple dealers, he must obtain prior written  
19 approval.

20 Four, not to hold a management position  
21 without prior written approval of the VSA.

22 Five, seeing as he has not secured anyone  
23 who wishes to employ, he is to advise of employment  
24 immediately.

25 Six, upon six months of employment, the VSA  
26 is to interview the dealer and the manager for Mr.

1 Chieduch to ensure he has been abiding by the conditions  
2 of his licence, and these conditions can be reviewed in  
3 one year with Mr. Hong Wong having authority to remove any  
4 or all of those conditions.

5 Anything further, Mr. Wong?

6 MR. WONG: No, thank you, Mr. Registrar.

7 REGISTRAR: Anything further, Mr.

8 Chieduch?

9 MR. CHIEDUCH: No.

10 REGISTRAR: You have a conditional  
11 licence subject to completing the salespersons  
12 certification course, and subject to those conditions.  
13 Mr. Hong Wong will provide you with the necessary  
14 information you need to go forward.

15 Thank you very much for coming.

16 MR. CHIEDUCH: Thank you for your time.

17 REGISTRAR: You're welcome.

18 (PROCEEDINGS ADJOURNED AT 10:46 A.M.)

19 I HEREBY CERTIFY THAT THE FORGOING  
20 is a true and accurate transcript  
21 of the proceedings herein, to the  
22 best of my skill and ability.

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K.A. Bemister, Court Reporter

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