



**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 Investigation File: #13-11-034**

**VSA Hearing File: #15-07-009**

**WHEREAS** the undersigned Spectrum Auto Group Inc. (Dealer #31256) is 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) BPCPA, deceptive acts and practices as defined or deemed by sections 4(1); 4(3)(a)(i to viii) 4(3)(b)(i to ix); and/or 4(3)(c)(i to iii).

**AND WHEREAS** the contraventions of section 5(1) of the BPCPA included misrepresenting or failing to make representations of material facts as required by law, and specifically:

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

Section 2(2) of the *Salesperson Licensing Regulation*.

Section 8.01 of the Motor Vehicle Act Regulations.

Section 222 of the Motor Vehicle Act.

**Specifically:**

Between April 1, 2014 and December 30, 2014, at or near Surrey, in the Province of British Columbia, Spectrum Auto Group Inc. (the "Supplier") 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 that had the capability, tendency or effect of misleading fifteen consumers (the "Consumers") in the purchase of fifteen rebuilt vehicles (the "Motor Vehicles") and specifically:

- Failed to disclose to the consumers that Abbas Khalaj was not a licensed Sales Person by the Motor Vehicle Sales Authority at the time of the sale; and
- Failed to disclose to the consumers that the motor vehicles were being sold on behalf of a licensed Motor Dealer.

**AND WHEREAS**, Spectrum Auto Group Inc. is desirous of resolving this matter without the need for any formal adjudication of the above allegations.

**AND WHEREAS**, Spectrum Auto Group Inc. will complete a system review of its operations and make procedural changes satisfactory to the Registrar.

**NOW THEREFORE** each undertakes:

- a) To comply with the BPCPA 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 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).
- d) 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*.
- e) To ensure that all persons involved in consumer transactions are licensed Salespersons under the *Motor Dealer Act*.
- f) To ensure that they are not aiding and abetting contraventions of Section 3(1)(a) of the *Motor Dealer Act*.
- g) To ensure that all motor vehicle sales are conducted at the licensed business premises as per Section 3(1)(b) of the *Motor Dealer Act*.


**AND THEREFORE** the undersigned


- a) Spectrum Auto Group Inc. undertakes to reimburse the Registrar a total of \$4,000.00 for investigation and legal costs relating to the subject matter of this Undertaking; and
- b) Spectrum Auto Group Inc. undertakes to pay an Administrative Penalty in the amount of \$11,000.00 in relation to the issue covered in this Undertaking.

**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:

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| Name: <u><i>Olga Saigovina</i></u>   |
| Signature:  Date: <u><i>July 27, 2015</i></u> |

**ACCEPTED** by the Registrar of Motor Dealers of British Columbia this *27th* day of   
*August* 2015

  
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Ian Christman - Registrar of Motor Dealers