



Vehicle Sales Authority  
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 Investigation File: #15-07-187  
VSA Hearing File: #15-07-008**

**WHEREAS** the undersigned 1868441 Alberta Ltd. *dba* Nanaimo Mitsubishi (#40168) 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 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).

**Specifically:**

1. Between July 1, 2015, and July 31, 2015, at or near Nanaimo, in the Province of British Columbia, 1868441 Alberta Ltd. *dba* Nanaimo Mitsubishi (the "Supplier") did in relation to a representation by a supplier contravene sections 4(3)(b) 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 potential consumers and specifically:
  - Made the statement that the British Columbia Debt Relief Program is their business partner and a program; whereas, it is not a program, nor is a partner of Nanaimo Mitsubishi.
  - Made the statement in the flyer, "The British Columbia Auto Debt Relief Program, with affiliated partner Nanaimo Mitsubishi, has helped over 418 families to solve their tough economic problems". This statement can not be substantiated.
  - Stated "If you can't qualify for this program, you will be paid \$2000 as a consolation." With a matching fine print of "All applications accepted from customers who are currently employed full-time with a minimum monthly income of \$1900. Vehicle payment total with current monthly payments must not exceed 50% of gross income. Must provide any documents requested by lender. Bankruptcies must be discharged. Additional down payment of up to 90% of retail value may be required. "Must fit lender criteria".

- Stated “Plus you can get an additional \$500 payment for every friend or family member you refer that purchases a vehicle during this event.” With a fine print “certain conditions apply see dealer for details”
2. Between July 1, 2015 and July 31, 2015, at or near Nanaimo, in the Province of British Columbia, 1868441 Alberta Ltd. *dba* Nanaimo Mitsubishi (#40168) did in relation to a consumer transaction contravene section 4(3)(c) of the *Business Practices and Consumer Protection Act* (BPCPA) by committing or engaging in a deceptive act or practice wherein a representation by a supplier about the total price of goods or services when a person could reasonably conclude that a price benefit or advantage exists, but it does not, specifically:
- In a mail out advertisement consumers were offered savings and prizes that were not available to all consumers if at all.

**AND WHEREAS**, 1868441 Alberta Ltd. *dba* Nanaimo Mitsubishi (#40168) is desirous of resolving this matter without the need for any formal adjudication of the above allegations.

**AND WHEREAS**, 1868441 Alberta Ltd. *dba* Nanaimo Mitsubishi (#40168) will complete a system review of its advertising procedures and make procedural changes satisfactory to the Registrar within 45 days of signing this Undertaking. These procedural changes are to be forwarded to the Registrar in writing.

**NOW THEREFORE** 1868441 Alberta Ltd. *dba* Nanaimo Mitsubishi (#40168) undertakes:

- a) To comply with the *Business Practices and Consumer Protection Act* and the regulations made there under;
- b) To ensure that all vehicles that are advertised for sale are available for sale on the date of the advertised sale.
- c) To ensure all material facts are disclosed to consumer prior to purchase of any motor vehicle;
- d) To ensure that all employees of the dealership who are involved in advertising are fully conversant with the advertising guidelines of the Vehicle Sales Authority and follow these guidelines.
- e) 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.
- f) To ensure that all sales prices are in accordance with advertised prices.
- g) To supply the Registrar or his delegate requested documentation in a timely manner.


**AND THEREFORE** the undersigned

- a) 1868441 Alberta Ltd. *dba* Nanaimo Mitsubishi (#40168) undertakes to reimburse the Registrar a total of \$288.01 for inspection/investigation and legal costs relating to the subject matter of this Undertaking; and
- b) 1868441 Alberta Ltd. *dba* Nanaimo Mitsubishi (#40168) undertakes to pay an Administrative Penalty in the amount of \$3,000.00 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>Les Landsperg</u>   |
| Signature:  Date: <u>Aug 18 2015</u> |

**ACCEPTED** by the Registrar of Motor Dealers of British Columbia this 20 day of August 2015

  
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Ian Christman - Registrar of Motor Dealers