



IN THE MATTER OF THE *MOTOR DEALER ACT* R.S.B.C. 1996 c. 316

RE:

**VSA and VICENTE OSORIO v. PIONEER GARAGE LIMITED *dba*
PIONEER MOTOR GROUP and PIONEER MOTORS VANCOUVER and JASPAUL MANN**

UNDERTAKING

WHEREAS Pioneer Garage Limited *dba* Pioneer Motor Group and Pioneer Motors Vancouver (Dealer #40047) (the "Dealer") is a "registered motor dealer" as defined under the *Motor Dealer Act* R.S.B.C. 1996 c. 316 (the "Act").

WHEREAS Jaspaul Mann (Salesperson #106197) (the "Salesperson") is a "salesperson" as defined under the *Motor Dealer Act* R.S.B.C. 1996 c. 316 (the "Act").

AND WHEREAS the "Registrar of Motor Dealers", as defined under the Act, (the "Registrar") is responsible for the administration and enforcement of the Act, its regulations and prescribed provisions of the *Business Practices and Consumer Protection Act* S.B.C. 2004 c. 2 (the "BPCPA").

AND WHEREAS an investigation has been initiated involving the Dealer's conduct, and the following alleged contraventions:

Between the dates of August 1, 2015 and November 4th, 2015, at or near the city of Vancouver in the Province of British Columbia, Pioneer Garage Limited, *dba* Pioneer Motor Group and Pioneer Motors Vancouver ("Pioneer") and/or Jaspaul Mann ("Mann"), did contravene subsection 5(1) of the BPCPA.

PARTICULARS of the alleged contraventions are as follows:

1. In or about August, 2015, Pioneer caused to be published online various advertisements (the "Advertisements") for a 2010 Toyota Corolla with 119,513 km (the "Toyota") which was offered for sale at a total price of \$6,995.00.
2. Vicente Eli Aranda Osorio (the "Complainant") viewed the Advertisements on or about August 3, 2015.
3. On or about August 7, 2015, the Complainant attended at the Pioneer dealership located at 3545 Lougheed Highway, and there dealt with Jaspaul Mann ("Mann") with respect to the Toyota.
4. Mann orally represented to the Complainant that:

- (a) The Toyota was priced at \$6,995.00, which was a low price because of certain cosmetic damage on the doors of the Toyota;
- (b) The complainant's all-in cost (including fees and taxes) would be \$8,500.00;
- (c) The all-in cost includes a warranty valued at \$1,000.00;
- (d) The Complainant's monthly payment would be \$240.00 per month or \$120.00 biweekly, over a term of 36 months;

(the "Oral Representations")

- 5. Notwithstanding the Advertisements and the Oral Representations, Mann prepared a Motor Vehicle Purchase Agreement for the sale of the Toyota to the Complainant on the following terms:
 - (a) The price of the vehicle was identified as \$8,995.00, and was subject to an additional "Administrative/Documentation Fee" of \$595.00;
 - (b) In addition to the price for the vehicle as described above, the Complaint was to be charged an additional \$1,895.00 for a warrantee;
 - (c) The complainant's all-in cost (including fees and taxes) was to be \$12,783.90;
 - (d) The all-in cost was to be financed over a term of 60 months.
- 6. Mann presented the paperwork to the Complainant (including the Motor Vehicle Purchase Agreement and the financing documentation) and deliberately rushed the Complainant into signing where he directed, in a manner that was calculated to deprive the Complainant of any opportunity to conduct a meaningful review of the paperwork.
- 7. As the Complainant was being directed to sign the paperwork, the Complainant and his wife both noticed a figure of approximately \$11,000.00 or \$12,000.00 and they asked Mann about this apparent discrepancy. In response, Mann represented to the Complainant that he should not worry about that number, and that the figure merely represents the amount that would be paid over time including the cost of credit. In fact, the amount that would be paid on the figures set out in the Motor Vehicle Purchase Agreement including the cost of credit would be approximately \$15,707.90.
- 8. In order to conceal these deliberate misrepresentations, Mann declined to provide the Complainant with any paperwork concerning the sale of the Toyota, notwithstanding that the Complainant had requested copies of same. Mann represented to the Complainant that the paperwork would be emailed to him and that he should expect to receive it within about one week.
- 9. Commencing on or about September 7, 2015, the Complainant and his wife made numerous requests for copies of the paperwork but neither Mann nor Pioneer provided the paperwork. In or about November, 2015, the Complainant and his wife indicated that they would be attending at the dealership to retrieve their paperwork, and Pioneer finally provided copies of the paperwork to them on or about November 4, 2015.

10. Pioneer and/or Mann engaged in conduct, as particularized above and herein, that was both deliberate and calculated to deceive and mislead the Complainant. This conduct, as particularized above and herein, is such that it would not be in the public interest for Pioneer and/or Mann to be registered or licensed (as the case may be) or continue to be registered or licensed (as the case may be).

AND WHEREAS the Dealer wishes to resolve these issues, without a hearing, voluntarily by entering into this Undertaking.

AND WHEREAS the Dealer has partially resolved the consumer monetary complaint to the satisfaction of the consumer by reimbursing certain funds to the consumer.

AND WHEREAS the Dealer will complete a system review of its operations and make procedural changes satisfactory to the Registrar within 45 days of signing this Undertaking.

THE DEALER HEREBY UNDERTAKES TO:

- a) To comply with the *Business Practices and Consumer Protection Act* and the regulations made there under;
- b) To ensure that consumers are provided the terms of the purchase agreement and the financing of the motor vehicle prior to a consumer entering into an agreement and provides copies of the purchase agreement and any finance documents to the consumer after the agreement is entered into;
- c) To provide complete records when requested by the VSA and/or a Compliance Officer acting on behalf of the Registrar;
- d) To refrain from requiring consumers to waive or withdraw any complaint advanced to the VSA;
- e) To pay to the consumer the sum of \$1,895.00 representing the stated value of a warranty promised to the consumer together with the salesperson, jointly and severally;
- a) Reimburse the VSA for inspection/investigation and legal costs relating to the subject matter of this Undertaking, by paying a sum fixed at \$5,000 together with the salesperson, jointly and severally;
- f) To pay an administrative penalty in the amount of \$4,000.00.

THE SALESPERSON HEREBY UNERTAKES TO:

- b) To comply with the *Business Practices and Consumer Protection Act* and the regulations made there under;

- c) To ensure that consumers are provided the terms of the purchase agreement and the financing of the motor vehicle prior to a consumer entering into an agreement and provides copies of the purchase agreement and any finance documents to the consumer after the agreement is entered into;
- d) To provide complete records when requested by the VSA and/or a Compliance Officer acting on behalf of the Registrar;
- e) To pay to the consumer the sum of \$1,895.00 representing the stated value of a warranty promised to the consumer together with the dealer, jointly and severally;
- f) Reimburse the VSA for inspection/investigation and legal costs relating to the subject matter of this Undertaking, by paying a sum fixed at \$5,000 together with the dealer, jointly and severally;
- g) To retake the salesperson licence course within 45 days from the date of this Undertaking at his own cost;
- h) To pay an administrative penalty in the amount of \$500.00.

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:

Dealer Name:	<u>Pioneer Chassis</u>		
Signature:		(authorized representative)	<u>May 25</u> 2016.
Salesperson Name:	_____ (name and title of Dealer's authorized representative)		
Signature:		Date:	<u>May 25</u> 2016.

ACCEPTED by the Registrar of Motor Dealers of British Columbia this 25 day of May 2016

 Ian Christman - Registrar of Motor Dealers