

Investigation File No.:19-11-101

Hearing File No.:20-04-001

IN THE MATTER OF THE MOTOR DEALER ACT R.S.B.C. 1996 c. 316 and the BUSINESS PRACTICES AND CONSUMER PROTECTION ACT S.B.C. 2004, c. 2

THIS UNDERTAKING is made with an effective date of April <u>15</u>, 2020 between

Delainie Shaw (SL#206281, Lapsed)

and

The Registrar, Vehicle Sales Authority of B.C.

WHEREAS:

- 1. Section 1(1) of the *Motor Dealer Act* R.S.B.C. 1996 c. 316 (the "MDA") defines "salesperson" as anyone, who, on behalf of a motor dealer and for or in the expectation of a fee, gain, or reward, solicits, negotiates, or arranges for the sale of a motor vehicle to a person, or in any way participates in the soliciting, negotiating, or arranging for the sale of a motor vehicle to a person;
- 2. The "Registrar of Motor Dealers," as defined under the MDA, (the "Registrar") is responsible for the administration and enforcement of the MDA, its regulations, and prescribed provisions of the *Business Practices and Consumer Protection Act* S.B.C. 2004 c. 2 (the "BPCPA");
- 3. Section 4(1) of the BPCPA defines deceptive act or practice as being an "oral, written, visual, descriptive or other representation by a supplier or any conduct by a supplier that has the capability, tendency, or effect of deceiving or misleading a consumer."
- 4. Section 5(1) of the BPCPA prohibits deceptive acts and practices.
- 5. After an investigation, the Registrar has received information that:
 - a. At all material times Delainie Shaw, ("Ms. Shaw") was a finance manager at Coquitlam Chrysler Dodge Jeep Ltd.;
 - b. At all material times during the investigation Ms. Shaw was a licensed salesperson as defined by the MDA;
 - c. Ms. Shaw's license expired on November 2, 2019 and she has not applied to have it reinstated;
 - d. The Vehicle Sales Authority ("VSA") discovered several sales transactions that Ms. Shaw completed where she signed on the consumers' behalf without their knowledge or consent, on Annual Percentage Rate Disclosure Forms and warranty documents; and

- e. This information was brought to the attention of Ms. Shaw during an interview and she was untruthful with the VSA in an apparent intent to mislead and deceive the regulator's investigation.
- 6. The Registrar asserts that the above detailed conduct violates the following statutory provisions:
 - a. The Code of Conduct provisions at section 33(2)(a) and (e) of the Motor Dealer Act Regulation; and
 - b. Section 4(1) and 5(1) of the BPCPA.

NOW THEREFORE Ms. Shaw undertakes, acknowledges, and agrees with the Registrar:

- 7. To comply with the MDA, the BPCPA, and the regulations made thereunder;
- 8. Not apply for a reinstatement of her lapsed salesperson license for a period of six (6) months from the date of the signing of this Undertaking;
- 9. To complete the VSA's Salesperson Course at her own cost, as a prerequisite to her applying for reinstatement of her license;
- 10. To pay an administrative penalty in the amount of \$2,000 upon submitting her salesperson application, to deter her from engaging in conduct similar to the aforementioned contraventions in the future;
- 11. To have her current conditions, described below, applied to her new salesperson license for the period of six (6) months:
 - May not be in a management position without the prior written approval of the VSA;
 - b. All sales to consumers must be reviewed and approved by a manager before the consumer transaction is finalized;
 - May not act as a loan broker as defined by the BPCPA, or in any way act on behalf of the consumer to obtain or facilitate financing, including a lease, for a consumer;
 - d. May not work in the business office of a dealership in any capacity which encompasses vehicle sales activities; and
 - e. Must be able to show she has the appropriate insight into her duties to consumers and that she is otherwise suitable and trustworthy to act as a loan broker or otherwise act on behalf of a consumer to obtain financing, including a lease.
- 12. That on the expiry of six (6) months, from the date of her license reinstatement, Ms. Shaw may request that the VSA consider reviewing the conditions on her license to remove or amend some or all the terms;

- 13. That the VSA agrees to waive the recovery of investigation costs against Ms. Shaw;
- 14. That this Undertaking is binding until such time as it is either terminated in writing by the Registrar or terminated by Order of the Supreme Court of British Columbia;
- 15. That in addition to rendering Ms. Shaw liable to further penalties and proceedings as provided for under the BPCPA, it is an offence under the BPCPA to fail to comply with any part of this Undertaking that has not been previously terminated;
- 16. That the Registrar, upon breach of any part of this Undertaking by Ms. Shaw, may declare the Undertaking to be at an end and may institute such proceedings and take such action under the BPCPA, or the MDA as considered necessary;
- 17. That any communication with the Registrar in connection with this Undertaking shall be made to the following address:

Registrar of Motor Dealers Vehicle Sales Authority of B.C. #280 – 8029 199th Street Langley, BC V2Y 0E2

And in the case of Ms. Shaw, to the following address:

Delainie Shaw

Withheld - personal address

Section 22 - FOIPPA.

unless another address for delivery is given to the other party, in writing, by either the Registrar or Ms. Shaw.

18. Ms. Shaw has read this Undertaking and has had a reasonable opportunity to seek legal advice as to its terms.

DATED this 15 day of April 2020

Signature: "original is signed"

Delainie Shaw (SL#206281, Lapsed)

ACCEPTED by the Registrar of Motor Dealers this 16 day of April 2020

"original is signed"

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