

Investigation File Nos.: 20-04-237

Hearing File No.: 20-09-002

UNDERTAKING

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 September 9, 2020

between:

Didi Car Rental and Sales Ltd. (DL#40246)

and:

The Registrar, Vehicle Sales Authority of BC

WHEREAS:

- 1. Didi Car Rental and Sales Ltd. (DL#40246), (the "Dealer"), is a "registered motor dealer", as defined under the *Motor Dealer Act* R.S.B.C. 1996 c. 316 ("MDA").
- 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. The Registrar has received information from a complainant who claims that:
 - a. The Dealer facilitated a transaction in where a salesperson employed by the Dealer, did not perform their due diligence to properly identify and verify the information it received from the consumer about the complainant. The consumer provided the salesperson with false information and signatures on loan documentation to make the complainant a joint purchaser on an application for a motor vehicle, without the knowledge and consent of the complainant;
 - b. The complainant only became aware of the fraudulent transaction when the lender contacted the complainant to perform a courtesy call;
 - At no time during or after the transaction, did the Dealer contact the complainant to verify his identity and to request consent to use him as a joint purchaser;

- d. The Dealer's lack of supervision and training to ensure their sales personnel conduct business in accordance with the MDA and the BPCPA, could have resulted in vastly different privileges and obligations for the applicants, that had it not been for the lender contacting the complainant, could have left the complainant without the benefit of the vehicle and with the financial hardship of a large loan; and
- e. The Dealer has cooperated with the VSA and has now unwound the transaction.
- 4. The Registrar asserts that the Dealer has contravened the following:
 - a. Section 4 and 5 of the BPCPA engaging in deceptive acts or practices;
 - b. Sections 8 and 9 of the BPCPA unconscionable acts or practices; and
 - c. The Code of Conduct provisions at section 33(2)(a) and(i) of the Motor Dealer Act Regulation.

NOW THEREFORE the Dealer undertakes, acknowledges, and agrees with the Registrar:

- 5. To comply with the MDA, BPCPA, and the regulations made thereunder;
- 6. The Dealer is to pay an Administrative Penalty in the amount of **\$5,000** in relation to the subject matter of this Undertaking within thirty (30) days of the signing of this Undertaking;
- 7. To reimburse the Registrar a total of **\$640.13** representing 100% of the investigation costs incurred to date in relation to the subject matter of this Undertaking within thirty (30) days of the signing of this Undertaking;
- 8. That this Undertaking is binding on the Dealer until such time as it is either terminated in writing by the Registrar or terminated by Order of the Supreme Court of British Columbia;
- 9. That in addition to rendering the Dealer 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; and
- 10. That the Registrar may, upon breach of any part of this Undertaking, 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.
- 11. 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 the Dealer, to the following address:

Didi Car Rental and Sales Ltd. 643 David Street Victoria BC V8T 2C9

unless another address for delivery is given to the other party, in writing, by either the Registrar of the Dealer.

12. The Dealer acknowledges and warrants that they have had reasonable opportunity to seek and obtain legal advice as to its terms.

DATED this _____ 9th day of <u>September</u> 2020

Didi Car Rental and Sales Ltd. (DL#40246)

Signature: "original is signed"

Authorized signatory name: Jing Dong

ACCEPTED by the Registrar of Motor Dealers this <u>21</u> day of <u>September</u> 2020

"Original is signed"
Ian Christman
Registrar of Motor Dealers