



Investigation File Nos.: 19-01-297

18-11-207

Hearing File No.: 20-11-010

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 December 9th, 2020

between:

Fraser City Motors Ltd. dba Langley Chrysler (DL#5097)

and:

The Registrar, Vehicle Sales Authority of BC

WHEREAS:

1. Fraser City Motors Ltd. dba Langley Chrysler (Dealer#5097), (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. After an investigation was conducted by the Vehicle Sales Authority (the "VSA"), the Registrar received information initiated via one consumer complaint, and eventually encompassed 2 separate transactions and 2 separate consumers.
4. The first consumer is Susan Aini who purchased a 2015 Mazda 3. The second consumer is Michael Anthony Burdon-Murphy who purchased a 2015 Jeep Cherokee, collectively (the "Transactions").
5. During the VSA's investigation of the Transactions, it was discovered that the Dealer:
 - a. Sold vehicles to consumers and failed to declare that these vehicles had previously sustained damage in excess of \$2,000;
 - i. The 2015 Mazda 3 had sustained damage in the amount of \$11,314.34; and

- ii. The 2015 Jeep Cherokee had sustained damage in the amount of \$10,477.77.
- b. Provided a bill of sale without declaring the actual previously sustained damage amount to the lender, Rifco National Auto Finance ("Rifco"), with the intent to deceive Rifco, knowing that Rifco had a \$5,000 damage limit;
 - c. Falsified a second bill of sale to include the actual previously sustained damage amount but did not provide this second bill of sale to the consumers or to Rifco; and
 - d. Provided the false bill of sale to the VSA in responding to its request for file information, without identifying the document's actual derivation, thereby having the effect of potentially misleading the regulator.
6. The Registrar asserts that the above detailed conduct violates the following statutory provisions:
 - a. Section 23(b)(ii) of the Motor Dealer Act Regulation ("MDAR") – failing to declare a material fact;
 - b. Section 4(3)(b)(vi) and 5 of the BPCPA – engaging in deceptive acts or practices;
 - c. Sections 8(3)(b) and 9 of the BPCPA – engaging in unconscionable acts or practices; and
 - d. The Code of Conduct provision found at section 33(2)(a) of the MDAR.
7. The Registrar understands that the Dealer has satisfied the financial interests of Ms. Aini and Mr. Burdon-Murphy, in relation to the subject purchases.

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

8. To comply with the MDA, BPCPA, and the regulations made thereunder;
9. To pay an Administrative Penalty, in the amount of **\$7,500** to deter the Dealer from engaging in conduct similar to the aforementioned contraventions in the future, within thirty (30) days from the execution of this Undertaking;
10. To reimburse the Registrar a total of **\$6,387.42** representing 100% of the combined investigation costs incurred to date in relation to the Transactions, within thirty (30) days of the execution of this Undertaking;
11. 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;

12. 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

13. That the Registrar may, upon breach of any part of this Undertaking by the Dealer, 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;

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:

Fraser City Motors Ltd. dba Langley Chrysler
19418 Langley By Pass,
Surrey, BC V3S 7R2

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

14. The Dealer acknowledges and warrants that it has had an opportunity to seek legal advice as to the terms of this Undertaking.

DATED this 30th day of October 2020

Fraser City Motors Ltd. dba Langley Chrysler (DL#5097)

Signature: "original is signed"
Authorized signatory name: Anthony Wiseman

ACCEPTED by the Registrar of Motor Dealers this 9th day of December 2020

"original is signed"
Ian Christman
Registrar of Motor Dealers