

Dealer Records: a Reminder

What Documents Must Be Kept for Every Vehicle Purchased and Sold?

All original buy-in documents, work sheets, repairs orders, inspection records, sale agreements and contracts, financing or leasing documents, and any written records of all transactions resulting in the purchase or sale of a motor vehicle must be kept. Written records include all advertising and marketing documents as well as any documents in electronic form, such as emails to and from a consumer.

How Long Must They Be Kept?

Motor dealers are required to keep the above noted records at each of their registered business premises for a minimum of two years from the transaction date.

What Law Requires This Retention of Records?

The two main provisions are [Section 11](#) of the *Motor Dealer Act* and [Section 20](#) of the *Motor Dealer Act Regulation*.

Are There Any Exceptions to Strict Compliance With These Rules?

Yes. The VSA has recently added an accommodation for the centralization and digitization of records not contemplated by the *Act*. A dealer group may request a relaxation of these legislative requirements, if they can specify how the VSA will have access to the records of each dealer within the group. Permission will be granted if the proposed access does not require the VSA to hunt for the records and the compliance history of the dealer group is favourable.

For example, some groups provide access to digitized records for the entire group at any of their locations. Other groups have a scan and email service that can supply records to any group dealer or directly to the VSA office. In both cases, hard copies are made available for review, if needed. When an exception request is approved, the dealer group receives an approval letter stating any unique terms. The VSA reserves the right to require strict adherence to the legislation if the production of records by the group becomes problematic.

What Do I Do if a Lender Requires Original Documents?

If a lender or lessor requires the original customer contracts to satisfy their security interests, you can still be in compliance with the *Motor Dealer Act* if:

- You keep a legible colour copy or scan of every side of every document provided to the lender on the dealer business premises
- Dealer groups with permission to centralize or digitize continue to comply with the terms of their records exception letter

If legible copies are not available when requested, a dealer will be in breach of the legislation and subject to review. The registrar may also order a lender produce the original documents if necessary.*

*An *Administrative Production Order* can be issued under the Registrar's powers to apply [Sections 150](#) and [151](#) of the *Business Practices and Consumer Protection Act* of B.C.

Vehicle Sales Authority

The VSA is an independent, non-profit agency that oversees the retail sales of personal-use motor vehicles in British Columbia. Please send your questions and comments to communications@mvsabc.com

