



Inaccurate Ownership Documentation Is it a deceptive act?

Vehicle ownership comes with legal rights and obligations. The *Motor Vehicle Act* requires that the true owner(s) be shown on the registration document. If a dealership inaccurately completes an ownership document, this may be a deceptive practice under the *Business Practices and Consumer Protection Act (BPCPA)*. The dealership may also be liable for costs that result from the improper documentation. The VSA is investigating more transactions in which a vehicle is sold to one person, but documents show the vehicle registered to another person or business.

Examples of situations affected by inaccurate documents

- Assignment of the rights and obligations in a divorce or an estate
- Obtaining a settlement after an insured loss
- Updating insurance coverage on the vehicle
- Assigning ticket, toll, towing and impound costs

Documentation requirements of a licensed dealer

A vehicle sold to only one person must be registered only to that person with ICBC. A vehicle sold to joint purchasers must be registered to those same joint owners. To comply with the *Motor Vehicle Act*, all documents must accurately record the true purchaser of legal title.

Creditors and co-signers

A creditor may have a security interest in a vehicle, but not be an owner of the vehicle. A person or business providing financing, or co-signing a loan, should not be listed as a sole or joint owner on the registration unless they are also purchasing legal title, or a portion of legal title, on the purchase documents.

Financing misrepresented as a lease

The financing of a vehicle purchase should not be falsely portrayed on the vehicle registration as a lease. A creditor should not be improperly shown on the registration document as an owner or lessor. The lease of a vehicle requires an agreement that meets all the requirements of the *BPCPA*. Under the *Personal Property Security Act*, a consumer has different rights if the vehicle is leased than if the vehicle purchase is financed.

Customer consent is not relevant

Misleading ownership documentation is not made lawful by getting the consent of the buyer. No party to the purchase has the authority to waive the requirements of the *Motor Vehicle Act*. A statement by a dealer to a purchaser that there is an option to select an alternate person as a registered owner may itself be a deceptive act.

This issue was addressed previously in a [November 2014 VSA Bulletin](#).

See the Motor Vehicle Act:

[Section 3 Registration, licence and insurance](#)

[Section 4 Restriction on registration](#)

[Section 17 Transfer of motor vehicle](#)



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