

Offsite Sale and Marketing Event Reminder Consignment Sale Requirements

Amendments to the *Motor Dealer Act* and recent investigations suggest that a reminder about the following activities is needed:

Offsite sales

An <u>offsite permit</u> is required when inventory and staff are at any location other than the dealership. This does not include unstaffed vehicle displays in malls or other locations. Events with a charitable purpose should include documentation to allow VSA staff to expedite the request and reduce or waive the permit fees.

Marketing events

The VSA must be notified of the added sales staff at each event. Temporary staff must be licensed with the VSA and the dealer is responsible for the actions of that staff.

Consignment sales

Authorization is required from the VSA to sell any vehicles on <u>consignment</u>. A consignment application requires a financial review, an additional Letter of Credit, a separate trust account and an approved consignment agreement.

Administrative penalties now an option for violations of the *Motor Dealer Act*

A business or person ignoring the requirements of the *Motor Dealer Act* can now receive an *administrative penalty* from the Registrar. This was added to the existing authority of the Registrar to cancel, suspend or place conditions on a licence.

In addition to new licensing categories and

changes that add fairness and transparency, the Registrar may issue penalties up to \$100,000 for a corporation and \$50,000 for an



individual. An administrative penalty under the *Motor Dealer Act* must follow a hearing or be the result of an undertaking. Penalties go to a consumer awareness fund.

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 <u>communications@mvsabc.com</u>





www.vehiclesalesauthority.com