



FILED

By the Office of the Registrar of Motor Dealers
on July 23, 2024

Investigation File No.: C-23-09-281
C-23-09-149
Hearing File No.: H-24-07-003

UNDERTAKING

**IN THE MATTER OF THE *MOTOR DEALER ACT*, RSBC 1996, c 316 and the
BUSINESS PRACTICES AND CONSUMER PROTECTION ACT, SBC 2004, c 2**

BETWEEN:

North Shore Mitsubishi
(DL# D50084)

(the "Respondent")

AND:

The Registrar of Motor Dealers

WHEREAS:

1. The Respondent is a Motor Dealer as defined in the *Motor Dealer Act* ("the **MDA**"), incorporated in accordance with the laws of British Columbia operating under the name, North Shore Mitsubishi, and registered with the Vehicle Sales Authority of BC ("**VSA**") under Motor Dealer Licence No. D50084.
2. The Registrar of Motor Dealers is the Registrar as defined in the MDA, ("the **Registrar**"), and is responsible for the administration and enforcement of the MDA, its regulations, and the prescribed provisions of the *Business Practices and Consumer Protection Act* ("the **BPCPA**").
3. The Respondent is the subject of an investigation launched by the VSA in response to a complaint made by a consumer, Javad Shabani ("**Shabani**"). The complaint and investigation findings are outlined in VSA File No. C-23-09-281. The Respondent is also the subject of a second VSA investigation in connection with a complaint made by a consumer, Mahboobeh Javadpoornowbandegani ("**Javadpoornowbandegani**"). The second complaint and investigation findings are outlined in VSA File No. C-23-09-149 and the investigation report of VSA Lead Investigator Tim Gallo, ("**LI Gallo**") dated May 10, 2024.

AND WHEREAS:

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4. On August 5, 2003, Shabani purchased a 2023 Kia Forte ("the **Forte**") from the Respondent for a price agreed upon by the parties.
5. The transaction in its entirety was conducted at a location other than the registered business address of the Respondent.

6. The Purchase Agreement dated August 5, 2023, prepared by the Respondent and provided to Shabani, is absent of all required vehicle declarations.
7. The Respondent failed to accurately record the Forte's odometer reading on the Purchase Agreement when they entered 12,651 KM. An APV9T Transfer/Tax Form from April 25, 2023, shows the Forte's mileage at that time to be 2,651 KM and an APV9T Form from August 5, 2023, shows the mileage to be 2,651 KM's.
8. The Respondent and Shabani agreed to a \$4,000.00 cash back payment in the subject transaction however the cash back amount is not reflected on the purchase agreement and has been added into the vehicle purchase price.

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9. On August 25, 2024, Javadpoornowbandegani purchased a 2022 Volkswagen Passat ("the Passat") from the Respondent for a price agreed upon by the parties.
10. The transaction, in its entirety, was conducted at a location other than the registered business address of the Respondent
11. The Purchase Agreement dated August 25, 2023, prepared by the Respondent and provided to Javadpoornowbandegani, is absent of all required vehicle declarations and had Javadpoornowbandegani's initials on the blank declaration section. An ICBC and Carfax check conducted by the Javadpoornowbandegani one week after purchase indicates that the Passat had been in an accident sustaining \$12,778.88 in damages on April 25, 2023. This was not disclosed by the Respondent at the time of the purchase.
12. The Scotia Bank Application statement completed by the Respondent shows Javadpoornowbandegani as the sole purchaser and lists his full-time employment at Joeys Restaurant as a chef and earning \$4,200.00 per month when in fact Javadpoornowbandegani was not employed at the time of the purchase [REDACTED]
[REDACTED] Withheld in accordance with s. 22(3)(f) of FOIPPA
13. The Registrar asserts that Respondent has contravened the following legislation:
 - a. Section 5(1) of the BPCPA by engaging in a deceptive act or practice in respect of a consumer transaction by failing to state a material fact, the effect of which was misleading, by failing to advise Javadpoornowbandegani that the Passat had previously sustained damage requiring repairs costing more than \$2,000.00;
 - b. Section 23(b) of the *Motor Dealer Act Regulation*, BC Reg. 447/78 ("MDAR") for failing to disclose, to the best of the motor dealer's knowledge and belief, in a sales agreement respecting the motor dealer's offering to sell or selling a motor vehicle, whether the motor vehicle has, in the case of a used motor vehicle, sustained damages requiring repairs costing more than \$2,000.00.
 - c. Section 8(1) of the BPCPA for committing an unconscionable act by representing to a lender on a financing application that Javadpoornowbandegani was employed with a monthly income of \$4,200.00, when in fact, he was not employed [REDACTED]

Withheld in accordance with s. 22(3)(f) of FOIPPA

- d. Section 21(1)(h)(l) of the MDAR for not making written representation on the purchase agreement the actual selling price of the vehicle and an itemized list of the cost of charges for which the purchaser is responsible by adding in the cashback amount to the vehicle sale price;
- e. Section 23 of the MDAR, for failure to complete all of the required vehicle declarations in both transactions; and
- f. Section 3(1)(c) of the MDA for conducting business as a motor dealer elsewhere than at or from the persons business premises in both transactions.

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

1. To comply with the MDA, MDAR, BPCPA, and the sections thereunder;
2. To pay an Administrative Penalty in the amount of **\$55,000.00** in relation to the subject matter of this Undertaking as per the Notice of Administrative Penalty which will be provided to the Respondent upon receipt of the fully executed and filed Undertaking;
3. To reimburse the Registrar a total of **\$975.37** representing 100% of the investigation costs incurred to date in relation to the subject matter of this Undertaking within thirty (30) days of the Registrar signing this Undertaking;
4. That this Undertaking is binding on the Respondent until such time as it is either terminated in writing by the Registrar or terminated by Order of the Supreme Court of British Columbia;
5. That in addition to rendering the Respondent liable to further penalties and proceedings as provided for under the BPCPA, it is an offense under the BPCPA to fail to comply with any part of this Undertaking that has not been previously terminated;
6. That the Registrar may, upon breach of any part of this Undertaking by the Respondent, declare the Undertaking to be at an end and may institute such proceedings and take such action under the BPCPA, or the Act as considered necessary; and
7. 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 Respondent Motor Dealer, to the following address:

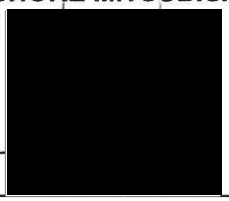
North Shore Mitsubishi
1695 Marine Drive,
North Vancouver, B.C. V7P 1V1

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

The Respondent acknowledges and warrants that they have had an opportunity to seek legal advice as to the terms of this Undertaking.

NORTH SHORE MITSUBISI (MOTOR DEALER# D50084)

Per:



Signature

Jessica Phan

Name of Authorized Signatory

) **ACCEPTED** by the Registrar of Motor Dealers this
) 23 day of July 2024.



Kenneth Affleck, K.C.
Registrar of Motor Dealer

Withheld in accordance with s. 22 of FOIPPA