Hearing File No.: H-23-08-002
H-24-01-004
H-24-03-003

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**

VEHICLE SALES AUTHORITY OF BC (VSA)

Complainant

And

MILE'S END MOTORS LTD.
(Dealer Licence#31056)

Respondent Dealer

And

DAVID BENTIL
(Salesperson Licence #111771)

Respondent

DECISION OF THE ACTING REGISTRAR OF MOTOR DEALERS

[1] There are three matters before me involving the Respondent Dealer, Mile's End Motors Ltd. ("Mile's End"), and its principal, the Respondent Salesperson, David Bentil.

[2] By letters dated September 4 and November 20, 2024, Registrar Affleck directed that the three matters be combined for hearing together by way of written submissions. The parties have exchanged written submissions. In the meantime, Registrar Affleck has retired and I have been appointed Acting Registrar to decide this written hearing.

[3] The three files that have been ordered heard together are as follows:

a. VSA hearing file H-24-03-003 (the "Stevens file")
b. VSA hearing file H-24-01-003 (the "LOC file")
c. VSA hearing file H-23-08-002 (the "Financial Statements file")

[4] The Vehicle Sales Authority of British Columbia (the "Authority") is the provincial regulator of the consumer vehicle sales industry in British Columbia and administers the *Motor Dealer Act,* RSBC 1996, c. 316 ("*MDA*"), the *Motor Dealer Act Regulations* ("*MDAR*") and certain provisions of the *Business Practices and Consumer Protection Act,* SBC 2004 c.2 ("*BPCPA*").

[5] Mile's End was at the time these hearing files were opened a Motor Dealer under the MDA licensed by the Authority. Mile's End's license expired on July 22, 2024 and its current license status is "cancelled". Mr. Bentil is the owner and operator of Mile's End and was licensed by the Authority as a Salesperson under the MDA.

[6] The Authority takes the position that the Respondents' conduct across the three matters constitutes breaches of the sections 3(1), 4, 13.1, 25 and 32 of the MDA, section 33(2)(a) of the MDAR and section 5(1) of the BPCPA.

[7] The Authority has made submissions both on liability and remedy. It says that it does not "seek to punish the Respondents' past conduct" but rather that it seeks to "secure further compliance to protect the public from harm". The Authority submits that the appropriate remedies in respect of Mile's End are:

a. An administrative penalty in the amount of $50,000.00
b. A ban on re-applying for licensing as a Motor Dealer for a period of seven years; and
c. A condition that if Mile's End applies for licensing as a Motor Dealer after the aforementioned seven year licensing ban has expired, that the application must be supported by an Irrevocable Letter of Credit issued by a financial institution.

[8] The Respondents, represented by senior counsel, raise an initial objection to the inclusion of submissions on both liability and penalty by the Authority in its written submissions. The Respondents say that "the distinctive nature of liability and penalty hearings is a matter of procedural fairness and necessitates two separate hearings" because "a respondence cannot meaningfully make penalty submissions without knowing precisely the scope of offences they have been found to have committed and their degree of culpability".

[9] The Authority in reply points on that the argument that separate hearings on liability and penalty are required in the context of a compliance hearing under the *MDA* has already been considered and rejected by the British Columbia Supreme Court in *Best Import Auto Ltd. v. Motor Dealer Counsel of British Columbia,* 2018 BCSC 834 at para. 50-52:

> [50] Turning to the broader fairness factors, I see nothing about the present fact pattern that requires a different conclusion than that suggested by the statutory construction above. In particular, I note the following:
>
> a) Unlike the situation in Finch at paras. 10 and 48, there was no representation by the Registrar that there would be two separate hearings. Rather, the Hearing Notice provided clear notice as to the potential outcome of the scheduled single hearing. As a matter of reasonable expectations, the language is quite clear that the hearing may end in the outcomes identified. From the notice that preceded the interim order, we can see that the notice is tailored to only provide notice of penalties that may be "on the table".
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> b) There is no evidence that the Registrar normally holds two hearings, and deviated from its standard practice here.
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> c) The parties did address penalty in their written submissions, although in a cursory fashion, showing some cognizance of the implications of the single hearing.
>
> d) Although certainly still a weighty decision, this case did not involve professional licensing directly affecting an individual's ability to pursue their chosen livelihood, as in the cases cited above. As it relates to Best Import, I conclude that it had every opportunity to call evidence relevant to penalty, and they had a clear opportunity to make submissions on the appropriate penalty.
>
> e) Imposing a mandatory two-hearing process could impose a substantial administrative burden on the Registrar: *Piros v.*

> *Newfoundland (Dental Board)* (1993), 1993 CanLII 8279 (NL SC), 116 Nfld. & P.E.I.R. 73 at para. 41.
>
> [51] Best Import's suggestion that it was unable to know exactly how to properly address potential penalties without knowing the precise findings on liability is belied by submissions made at trial every day in these courts, as well as before an array of other administrative tribunals. Any suggestion to the contrary sought to be derived from Lambert J.A.'s oral reasons in *Watson v. British Columbia Securities Commission*, 1999 BCCA 625, is distinguishable based on the more penal aspects of the securities violations at issue in that case, where the issue was characterized as one of "guilt" (para. 11). I also note that counsel for the commission in that case essentially conceded the general entitlement to a separate hearing, and was relying primarily on waiver to avoid the suggestion that two hearings needed to occur in the case before the court (para. 12).
>
> [52] In conclusion, I find that there was no need for the Registrar to require an additional second hearing to address penalty.

[10] The analysis in *Best Import* is directly applicable and I reject the Respondents' suggestion that there is any procedural unfairness arising from liability and penalty being the subject of a single hearing.

Factual Background

[11] The Authority has issued three hearing notices in relation to events involving the Respondents that occurred in 2022 and 2023.

The Financial Statements File

[12] In the Financial Statements file, the affidavit evidence outlines repeated requests by the Authority starting in May 2023 that the Respondents provide a signed financial statement from Mile's End.

[13] By September 2024, the requested financial statement had not been provided and Registrar Affleck commented in the context of issuing directions about the process for the hearing on the outstanding issues in that file, that

the explanations advanced for the Respondents' failure to deliver the financial statement were "not helpful".

[14] In October 2024, I dismissed an application for reconsideration which had been based on a submission that "Mr. Bentil has contacted a CPA who is in the process of reviewing financial documentation and preparing the financial statements requested".

[15] On December 17, 2024, Respondents' counsel included as an attachment to the combined submissions in this matter a copy of what was described as financial statements for the year ends 2022 and 2023 and include a cover letter indicating they were prepared by "Sandeep Rakkar CPA CMA" but the financial statements were undated and were not signed by Mr. Bentil as required by section 32 of the MDA. The financial statements were not entered into evidence by way of an affidavit and the Authority points out that no confirmation was provided that "Sandeep Rakkar" was a person licensed as an accountant under an Act.

[16] On January 2 and 3, 2024 counsel for the Respondents again provided the same financial statements as on December 17, 2024 but these versions included signatures that purported to be Mr. Bentil's. They were not attached to an affidavit and did not include information as to the qualifications of the person who prepared them.

The Stevens File

[17] In September 2022, Ms. Stevens purchased a 2022 Ford Bronco from Mile's End. The Bronco had been offered for sale by Mile's End for just over $80,000. Ms. Stevens had a 2019 Ford Explorer which she traded in as part of the transaction. The Explorer had an outstanding loan balance on it owed to TD Auto Finance ("TDAF") which Ms. Stevens intended to finance to pay out together with the purchase of the new vehicle.

[18] The purchase of the Bronco was financed through Santander Consumer. Ms. Stevens understood based on her discussions with a Mile's End sales manager that the TDAF loan would be paid out by Mile's End when it received the financing funds from Santander and that those funds would be sufficient to pay out the TDAF loan together with the purchase of the Bronco.

[19] The Bronco was delivered to Ms. Stevens in October 2022 and Mile's End received the financing funds one week later. However, Mile's End did not immediately apply the funds to pay out the TDAF loan and Ms. Stevens continued to have payments towards the TDAF loan debited from her bank account.

[20] Ms. Stevens complained to Mile's End when she became aware of the continued payments to TDAF and in January 2023 received a letter from Mr. Bentil in which he assured Ms. Stevens that the outstanding amount would be paid on the TDAF loan "ASAP".

[21] By March 2023, the matter had not been dealt with and Ms. Stevens complained first to Santander and later that month to the Authority that Mile's End had promised that "the trade loan with TD would be paid in full" and that had not occurred.

[22] Mr. Bentil affirmed an affidavit in the Stevens file in which he sets out a schedule of payments he says were made to Ms. Stevens to reimburse for payments on the TDAF loan. He deposes that "I also told Ms. Stevens that the TDAF Loan would be payed off, and on April 12, 2024 it was".

[23] Accordingly Mr. Bentil admits that notwithstanding his January 2023 assurance to Ms. Stevens that the outstanding amount would be paid "ASAP", he did not in fact pay the full amount until 15 months late, over a year after Ms. Stevens had complained to the Authority prompting this investigation.

[24] The Authority points out that Mr. Bentil "has never disclosed what he did with the portion of the Santander financing funds he received and that were to be applied against the TDAF loan, prior to paying the loan balance 18 months after receiving them" and that he has failed to provide related records requested by the Authority.

The LOC File

[25] The LOC file arises out of Mile's End's failure to replace an irrevocable letter of credit ("ILOC") upon the Authority's request when the Authority learned in March 2023 that Vancity would not be renewing the existing ILOC after its expiry date of January 18, 2024.

[26] The affidavit materials detail a series of assurances by Mr. Bentil and his counsel that the ILOC would be replaced and offering to provide the Authority with $10,000 in cash to be held in trust pending approval of an ILOC.

[27] By January 18, 2024 when the Vancity ILOC expired, there was no new ILOC in place, despite repeated requests by the Authority and assurances by the Respondents.

[28] In March 2024, the Authority received an email from Auto One advising that Mr. Bentil had "provided Auto One with a draft for the $10k. As such we will provide a letter of credit on Miles End's behalf for the same $10k value". The email attached a draft letter of credit and prepared by TD Bank.

[29] Affidavit material filed by the respondent shows that VSA Licensing staff initially responded on March 13, 2024 that the draft LOC prepared by TD was "acceptable" and requested an original be issued.

[30] On March 18, 2024, five days later, Mr. Bentil followed up with the Manager of Licensing to confirm that the LOC request had been satisfied. Within minutes, the Manager of Licensing replied that the Authority "has not received a Letter of Credit (LOC) from any financial institution where the applicant is Mile's End Motors Ltd. in 2024. Please have your bank contact me to confirm that one has been sent".

[31] When asked about the previous advice from Licensing staff that the LOC provided by Auto One's bank TD was "acceptable", the Manager of Licensing advised:

> I am sorry, however that decision was made in error and the LOC is not acceptable since the applicant is not Mile's End Motors Ltd. The Legislation is clear that the LOC must be provided by the Motor Dealer.

[32] There is no evidence of any further correspondence about the issuance of a LOC after March 2024, but the Authority advises in its reply submissions filed in early 2025 that the Respondents "have not taken any steps. . . to obtain an ILOC" in the intervening period.

Analysis and Decision on Alleged Breaches

The Financial Statements File

[33] The Authority argues that Mile's End breached s. 32 of the *MDA* and section 33(2)(a) of the MDAR by failing to provide financial statements signed by the motor dealer and certified by a person licensed as an accountant under the Act.

[34] Section 32(1) of the *MDA* provides:

> 32 (1)A motor dealer must, if requested by the registrar, file a financial statement signed by the motor dealer in the form and containing the information required by the registrar and certified by a person licensed as an accountant under an Act.

Section 33(2)(a) of the *MDAR* provides.

> 33 (2)A licensee or registrant, in the course of business,
>
> (a)must act with honesty and integrity,

[35] The Respondents argue that they have not "persistently failed" to produce a financial statement and now take the position that the allegation of breach of section 32 of the *MDA* in the Financial Statements File is moot based on the financial statements, many months after the initial request, having been provided to the Authority.

[36] With respect to the alleged breach of section 33(2)(a) of the *MDAR*, the Respondents argue that "no finding of dishonesty should be made" because there is "no evidence of any intent to deceive the Authority" in the statements made by Mr. Bentil over the course of this hearing file that more time was required to produce the financial statements when in fact they had already been prepared. His counsel submits that "the more reasonable explanation is that Mr. Bentil was simply mistaken and genuinely believed he needed addition time to prepare financial statements for the Authority". There is no evidence from Mr. Bentil in the Financial Statement File that might provide support for this suggestion.

[37] The Authority disagrees that the matter is moot. In reply submissions, the Authority argues:

> The fact that it has now been almost two years from the original request reflects the Respondents' ambivalence towards its statutory obligations and it is consistent with the Respondents' approach to other requests made by the Authority. A finding that the Respondents did not breach section 32 would send a message to other motor dealers that they can address similar requests at their own discretion and thus undermining not only the MDA but the VSA's authority to regulate its licensees.

[38] With respect to the alleged breach of section 33(2)(a) of the *MDAR,* the Authority says that a breach of the provision does not require an intent to deceive but rather that an assessment of whether a licensee acted with honesty and integrity should be assessed on an objective review of the evidence.

[39] On the issue of mootness, I agree with Authority that the issue is not moot.

[40] The doctrine of mootness was described by Sopinka J. for a unanimous court in *Borowski v. Canada (Attorney General)*, 1989 CanLII 123 (SCC), [1989] 1 S.C.R. 342 at 353 as follows:

> The doctrine of mootness is an aspect of a general policy or practice that a court may decline to decide a case which raises merely a hypothetical or abstract question. The general principle applies when the decision of the court will not have the effect of resolving some controversy which affects or may affect the rights of the parties. If the decision of the court will have no practical effect on such rights, the court will decline to decide the case. This essential ingredient must be present not only when the action or proceeding is commenced but at the time when the court is called upon to reach a decision. Accordingly if, subsequent to the initiation of the action or proceeding, events occur which affect the relationship of the parties so that no present live controversy exists which affects the rights of the parties, the case is said to be moot. …
>
> The approach in recent cases involves a two-step analysis. First it is necessary to determine whether the required tangible and concrete

> dispute has disappeared and the issues have become academic. Second, if the response to the first question is affirmative, it is necessary to decide if the court should exercise its discretion to hear the case. ...In the interest of clarity, I consider that a case is moot if it fails to meet the "live controversy" test. A court may nonetheless elect to address a moot issue if the circumstances warrant.

[41] Here, there remains a live controversy between the Authority and the Respondents as to whether the Respondents' conduct in terms of both the timing of delivery and what they ultimately delivered complied with section 32 of the *MDA.* Accordingly, the issue is not moot notwithstanding the delivery of financial statements with the Respondents' argument.

[42] Section 32 of the *MDA* requires the filing of a financial statement "if requested by the registrar". While no specific deadline for compliance is set on in the statutory provision, considering the words of that provision in the context of the statute as a whole and having regard to the purposes of the statutory scheme, a proper construction of that provision supports that compliance with a request by the registrar must be made within a reasonable period of time. Given that financial statements are prepared annually, at a minimum, the provision should be construed to require that financial statements must be provided to the Authority within the year in which they are requested. The belated provision of financial statements, almost two years after the initial request does not absolve Mile's End of its clear breach of the provision.

[43] I find that Mile's End breached section 32 of the *MDA* by failing to provide the financial statements in a timely manner when they were "requested by the registrar".

[44] With respect to the alleged breach of section 33(2)(a) of the *MDAR,* in its February 2024 submissions, paragraph 45 stated that "The Authority abandons this allegation". In reply submissions, dated April 10, 2024, the Authority purported to renew the allegation based on subsequent receipt of statements made by Mr. Bentil in the course of the hearing process that appeared to be inaccurate.

[45] The hearing notice in this matter alleged a breach of section 33(2)(a) of the *MDAR* "for failure to file a financial statement as requested".

[46] In my view, the Authority cannot properly rely on statements made after the hearing notice was issued to ground an alleged breach set out in the hearing notice. The purpose of the hearing notice is to give the Respondents notice of the allegations against them so that they have a fair opportunity to respond.

[47] To permit the Authority to rely on subsequent statements by Mr. Bentil in the course of the hearing process to ground an alleged breach based on other facts that had been included in the hearing notice but expressly abandoned in submissions would be inconsistent with the Respondents the right to know the case they have to meet.

[48] Accordingly, I do not find a breach of section 33(2)(a) of the *MDAR* in the Financial Statements file.

The Stevens File

[49] The Authority argues that Mile's End breached sections 3(1), 13.1 and 25 of the *MDA,* section 33(2) of the *MDAR* and section 5(1) of the *BPCPA* in the context of the Stevens File. In its argument, the Authority abandoned the allegation that there was a breach of section 21(2) of the *MDAR.*

[50] Section 3(1) of the *MDA* prohibits a person from carrying on business as a motor dealer elsewhere than at or from the person's business premises and section 13.1 prohibits a motor dealer from employing a salesperson unless the salesperson is licensed under the regulations as a salesperson.

[51] The Authority says that by sending an unidentified and presumably unlicensed individual to Kispiox to deliver the vehicle to Ms. Stevens and to have her sign the purchase agreement in Kispiox, outside of their place of business in Vancouver, sections 3(1) and 13.1 of the *MDA* were breached.

[52] The Respondents argue that to interpret delivery of a vehicle outside of Vancouver by an unlicensed person to be a breach of these sections would effectively amount to an argument "that all vehicle delivery services should be prohibited" and would be "absurd".

[53] They also say that the purchase transaction had been completed before Ms. Stevens signed the purchase and sale agreement because they had orally

agreed and that the Authority has not identified the person who delivered the vehicle and so cannot prove that they were unlicensed.

[54] The Authority points out that the Respondents have led no evidence that a contract had been agreed to and in particular that there was no evidence that Ms. Stevens had agreed to the additional terms and conditions found on the back of the purchase agreement.

[55] As the Authority notes, it was open to the Respondents to negotiate and conclude a purchase agreement with Ms. Stevens remotely by exchange of electronic drafts prior to the vehicle being delivered. There is specific provision (including specific requirements apparently not complied with here) in the *BPCPA* for distance purchases.

[56] With respect to the failure to identify the salesperson, the Authority says that the identity of the person who delivered the vehicle is within the knowledge of the Respondents and if they were licensed it would be easy for the Respondents to offer evidence of that fact. Accordingly, the Authority invites an adverse inference against the Respondents.

[57] I find that the evidence as a whole is consistent with the Authority's contention that the person who delivered the vehicle was unlicensed and that there was no purchase agreement in place prior to the purchase agreement concluded and signed in Kispiox.

[58] In the circumstances, I find that the evidence supports that by having Ms. Stevens agree to and sign the purchase agreement in Kispiox at the same time as the vehicle was being delivered by an unidentified person, the Respondents breached sections 3(1) and 13.1 of the *MDA.*

[59] Section 25 of the *MDA* provides that where the Registrar receives a complaint in respect of a motor dealer, the motor dealer must provide to the Registrar in writing, information requested respecting the matter complained of.

[60] The Authority says that the Respondents' failure, despite many requests, to provide a cogent response in writing as to what they did with the Santander financing funds when they received them is a breach of section 25.

[61] The Respondents do not address this allegation directly but say that as a general matter, the Authority does not have unlimited power to request information, that the information requests made were overbroad, and that the Respondents have responded to the information requests that were sufficiently focused that they were properly required to respond.

[62] The Respondents' submissions on this issue are not persuasive. The evidence is clear that the Respondents received the Santander financing funds at the time of the purchase of the new vehicle, that they had agreed to pay out the TDAF loan when those funds were received and that they failed to do so until many months later, despite Mr. Bentil's repeated assurances that he would pay out that loan imminently.

[63] The facts as presented by Ms. Stevens in the complaint and ultimately substantiated are troubling. I do not agree with the Respondents' submissions that the requests for information about where the Santander funds went were overbroad. When the complaint was received, the Respondents were obligated to promptly provide the information requested by the Authority, including about where the funds that were to be applied to the TDAF loan had gone.

[64] I find that the Respondents' failure to respond to the Authority's requests for information was in breach of section 25 of the *MDA.*

[65] As set out above in the discussion about the Financial Statements File, section 33(2)(a) of the *MDAR* requires motor dealers to act with honesty and integrity while carrying on business.

[66] The Authority says that Mile's End's failure to immediately apply the Santander financing funds to pay out the TDAF loan, contrary to Ms. Stevens' expectation, and subsequent sale of the Explorer to another consumer while the loan remained outstanding and without disclosing that it remained on title was conduct that does not meet the requirements of section 33(2)(a) of the *MDAR.*

[67] The Respondents say that the authority must establish both dishonesty and an intention to deceive in order to be able to make out a breach of section 33(2)(a). They argue that here the evidence supports that the failure to pay out the TDAF loan when the Santander funds were received was an "inadvertent mistake and not the result of any intentional deceit".

[68] I do not accept the Respondents characterization of what occurred in the Stevens File as an "inadvertent mistake". Had the failure to pay the TDAF loan simply been inadvertent, the error would have immediately been corrected when the matter was first drawn to Mr. Bentil's attention. Instead, consistent with what appears to be the Respondents' approach to dealing with the Authority across all three of these matters, the Authority's inquiries about the complaint were met with obfuscation, unfulfilled promises and delay.

[69] I find that the Respondents failed to act with honesty and integrity in the context of the Stevens file.

[70] Finally, section 5(1) of the *BPCPA* prohibits a supplier of goods or services in a consumer transaction from committing a deceptive act or practice.

[71] I agree with the Authority that the Respondents' failure to immediately apply the financing funds to pay out the TDAF loan in the context of the related communications with Ms. Stevens and the Authority amounted to a deceptive act in breach of section 5(1) of the *BPCPA.*

The LOC File

[72] The Authority alleges that the Respondents breached section 4 of the *MDA* by failing to obtain a replacement ILOC when its prior ILOC was set to expire.

[73] Sections 4(4) and 4(5) of the *MDA* authorize the Registrar to register or renew registration on terms, conditions or restrictions that are considered necessary, including the imposition of a condition requiring an ILOC.

[74] The Registrar did require Mile's End to hold an ILOC as a condition of registration. This condition was complied with for many years until Vancity indicated it would not renew the Respondent's ILOC.

[75] I'm not sure that it's right to frame Mile's End's failure to immediately get a replacement ILOC in place as a breach of the section 4 of the *MDA* but certainly section 4 authorizes the Registrar to impose such a condition, the evidence shows that the condition was imposed and that for at least a period between January 18, 2024 when the Vancity ILOC expired and some time in

March 2024 when another dealer obtained a LOC for Mile's End's benefit, there was no ILOC, in breach of the condition on Mile's End's licensing.

[76] The Respondents focus on the March 2024 statement by Licensing staff that a LOC provided by Auto One's bank TD was "acceptable" to excuse what the Authority views as non-compliance with the condition.

[77] Had the Auto One LOC been obtained before the Vancity LOC expired, that argument might have been persuasive. However, that is not what occurred.

[78] On the evidence filed, it is clear that there was a period of several weeks in January - March 2024 when the Respondent Mile's End had no LOC in place at all. That is enough for the Authority to establish a breach of the condition imposed by the Registrar pursuant to section 4 of the *MDA.*

Summary of Findings on Liability

[79] In respect of the Financial Statements File, I find that:

a. Mile's End breached section 32 of the *MDA* by failing to provide financial statements to the Authority within a reasonable time of the registrar's request;

b. the alleged breach of section 33(2)(a) of the *MDAR* is not established.

[80] In respect of the Stevens File, I find that:

a. by having Ms. Stevens agree to and sign the purchase agreement in Kispiox at the same time as the vehicle was being delivered, the Respondents breached section 3(1) and 13.1 of the *MDA*;

b. by failing to respond to the Authority's inquiries about the flow of funds received from Santander, the Respondents breached section 25 of the *MDA.*

c. the Respondents failed to act with honesty and integrity as required by section 33(2)(a) of the *MDAR* and committed a deceptive act contrary to section 5(1) of the *BPCPA* by failing in the context of their

communications with the Authority and the complainant, to immediately apply the Santander financing funds to pay out the TDAF loan.

[81] In respect of the LOC File, I find that the Respondent Mile's End breached a condition of its registration that the Authority had imposed pursuant to section 4 that it maintain an ILOC when it let the Vancity LOC lapse in 2024 without a replacement LOC in place.

Penalty

[82] The Authority submits that the appropriate compliance orders for the alleged breaches of the *MDA, MDAR* and *BPCPA* are as follows:

a. in respect of Mile's End:
    i. an administrative penalty in the amount of $50,000
    ii. a ban on re-applying for licensing for a period of seven years; and
    iii. a condition that if Mile's End applies for licensing after the seven year licensing ban has expired, that the application must be supported by an irrevocable letter of credit issued by a financial institution
b. in respect of Mr. Bentil:
    i. an administrative penalty in the amount of $35,000
    ii. cancellation of his salesperson license;
    iii. a ban on reapplying for licensing for a period of five years; and
    iv. a condition that any salesperson license issued to Mr. Bentil after the five year re-application ban have a condition attached to it that restricts Mr. Bentil to working only as a salesperson and not in a managerial or finance role and that Mr. Bentil may apply to have this condition modified or cancelled no earlier than two years after being re-licensed.

[83] The Authority outlines in its submissions a large number of complaints received about the Respondents and a significant compliance and enforcement history since 2013. They argue that looking at these three cases together "a pattern of ungovernability emerges" and the conduct alleged "is such that it undermines the ability of the Authority to regulate Mile's End".

[84] The Authority provides precedent and cogent submissions to support each of the orders sought as available and proportionate to the types of orders made in similar cases.

[85] Other than the argument that it is procedurally unfair to address liability and penalty in a single hearing, which I have already rejected, the Respondents did not make any submissions on the appropriateness of the orders requested by the Authority in the event the breaches alleged were proven.

[86] The Respondents do not challenge any of the specific forms of relief sought by the Authority or the appropriateness of the particular penalty proposed by the Authority in the event that the alleged conduct was proven.

[87] While I have found that the alleged breach of section 33(2)(a) of the *MDAR* in the Financial Statements File was not established, I have found that the balance of the breaches alleged by the Authority were established. I agree with the Authority's submission that the Respondents' conduct discloses a troubling pattern that undermines the ability of the Authority to effectively regulate.

[88] Even in the absence of finding that the alleged breach of s 33(2)(a) of the *MDAR* was established in respect of the Financial Statements File, I find that the relief sought by the Authority is appropriate in the circumstances.

[89] Accordingly, I make the following orders:

a. in respect of Mile's End:
    i. an administrative penalty in the amount of $50,000
    ii. a ban on re-applying for licensing for a period of seven years; and
    iii. a condition that if Mile's End applies for licensing after the seven year licensing ban has expired, that the application must be supported by an irrevocable letter of credit issued by a financial institution
b. in respect of Mr. Bentil:
    i. an administrative penalty in the amount of $35,000
    ii. cancellation of his salesperson license;
    iii. a ban on reapplying for licensing for a period of five years; and
    iv. a condition that any salesperson license issued to Mr. Bentil after the five year re-application ban have a condition attached to it

that restricts Mr. Bentil to working only as a salesperson and not in a managerial or finance role and that Mr. Bentil may apply to have this condition modified or cancelled no earlier than two years after being re-licensed.

[90] This decision may be reconsidered under the provisions of sections 26.11 and 26.12 of the *MDA*. A request for reconsideration must be made in writing within 30 days of receiving these written reasons. The request for reconsideration must identify the grounds for reconsideration and be accompanied by new evidence (as defined in those sections) among other requirements.

[91] This decision is also subject to judicial review by petition filed within 60 days of this decision being issued in BC Supreme Court pursuant to the *Judicial Review Procedure Act,* RSBC 1996, c. 241.

Dated: July 31, 2025

"Original signed"

[redacted]

Claire E. Hunter, K.C.
Acting Registrar of Motor Dealers