



Investigation File No.: C-24-12-111  
Hearing File No.: H-25-07-002

**IN THE MATTER OF *THE MOTOR DEALER ACT*, R.S.B.C. 1998, c.316 and  
*THE BUSINESS PRACTICES AND CONSUMER PROTECTION ACT*, S.B.C. 2004, c.2**

BETWEEN:

**THE VEHICLE SALES AUTHORITY OF BRITISH COLUMBIA**

THE AUTHORITY

AND:

**SIAVASH MEHRPOUYA**

COMPLAINANT

AND:

**SUPER CHOICE AUTO LTD. dba LUCKY STARS AUTO**

RESPONDENT/MOTOR DEALER

AND:

**AMIR (SAM) GHAMARY**

RESPONDENT/SALESPERSON

AND:

**ARIA EBRAHIMI**

RESPONDENT/SALESPERSON

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**CORRECTED DECISION OF THE REGISTRAR OF MOTOR DEALERS<sup>1</sup>**

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**Date and location of decision: November 7, 2025 at Langley, British Columbia**

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<sup>1</sup> Paragraph 146(f) has been corrected to replace the name "Messiah" with the name "Lucky Stars". The correction is made pursuant to section 53(1) of the *Administrative Tribunals Act*.

## By way of written submissions

### I. Introduction

1. This proceeding arises out of a consumer complaint received by the Authority on December 10, 2024, from Siavash Mehrpouya (“Mr. Mehrpouya”) concerning a consumer transaction in which he purchased a 2014 Ram 1500 SLT pickup truck (“the Vehicle”) from Super Choice Auto Ltd. dba Lucky Stars Auto (“Lucky Stars”) on December 11, 2023.
2. Lucky Stars is a motor dealer licensed with the Authority under license number 25163 and continuously licensed since June 24, 2013. Amir (Sam) Ghamary is the owner and president of Lucky Stars and he has been licensed by the Authority as a salesperson under license number 100143 since June 8, 2004. The Respondent Aria Ebrahimi was at all material times an employee of Lucky Stars and he became licensed by the Authority as a salesperson under license number S312177 on November 1, 2024.
3. The hearing of this matter proceeded by way of written submissions. Each of the Parties have provided written submissions and evidence in support of those submissions. While these reasons may not specifically refer to every aspect of the Parties’ submissions and evidence, I have reviewed and considered them all in coming to my decision.

### II. Background Facts

4. The background facts of this matter are very much in issue as between the parties. There are stark disagreements as to much of the evidence. For that reason, in the course of setting out the background facts I will note conflicts as appropriate. In making findings of fact, I will apply the burden of proof which is a balance of probabilities, often reframed as “is it more likely than not” that the alleged conduct occurred: *F.H. v. McDougall* [2008] 3 S.C.R. 41 at paragraph 44. The burden of proof remains with the Authority, and Mr. Mehrpouya as to the consumer remedy sought and proof of damages and loss, subject to any statutory shift to the Respondents which will be noted and applied where applicable.

#### a. Mr. Mehrpouya

5. Mr. Mehrpouya says that he viewed an advertisement for the Vehicle that was posted on Facebook Marketplace by Lucky Stars on December 10, 2023. The next day, he viewed a second advertisement posted by Mr. Ebrahimi and responded to it using the chat

function that accompanied the post. The response to Mr. Mehrpouya's message invited him to see the Vehicle at Lucky Stars' business location and he was told to "Ask for Arria." Mr. Mehrpouya attended Lucky Stars and took the Vehicle for a test drive while accompanied by Mr. Ebrahimi. No mechanical issues were noted or disclosed by Lucky Stars regarding the Vehicle to Mr. Mehrpouya.

6. Prior to purchasing the Vehicle, while still accompanied by Mr. Ebrahimi, Mr. Mehrpouya drove it to a mechanic and had it inspected on December 11, 2023. The mechanic test drove the Vehicle and noted a minor issue with the Vehicle's oil pressure sensor but otherwise there were no issues of note. The Vehicle was offered for sale by Lucky Stars for \$8,800 without a warranty or for \$12,000 with a warranty. Mr. Mehrpouya elected to forego the warranty and after a \$300 discount, he purchased the Vehicle from Lucky Stars on December 11, 2023 for \$8,500 plus a documentation fee of \$475 and Lucky Stars prepared a Purchase Agreement (Purchase Agreement #1).
7. I pause to note that Mr. Ghamary denies that Mr. Mehrpouya had the Vehicle inspected on the day of the purchase. He cites dealership policy as prohibiting a customer from test driving a vehicle or taking a vehicle to a mechanic when it is being sold as not suitable for transportation. A copy of that policy was not provided as evidence.
8. Mr. Mehrpouya says that he was given a ride to an Autoplan office by Mr. Ebrahimi to obtain insurance for the Vehicle and after returning to Lucky Stars, Mr. Mehrpouya drove the Vehicle to the neighbouring Shell gas station where he was met by Mr. Ebrahimi who brought a screwdriver to be used to put the new license plates on.
9. The day after purchasing the Vehicle Mr. Mehrpouya noticed that its "Check Engine" light was on. He returned to Lucky Stars, seeking to return the Vehicle and have the purchase price refunded. This was refused by Lucky Stars who instead offered a warranty for approximately \$4,000.
10. Mr. Mehrpouya entered into a Vehicle Service Contract with Global Warranty in respect of the Vehicle on December 12, 2023 ("the Warranty"). This was also the start date for the Vehicle's warranty coverage. The total price for the coverage was \$3,124.80 and the Warranty was issued for a one-year period. The Warranty indicates that the Vehicle was purchased on December 12, 2023. Mr. Mehrpouya says that he was told by Lucky Stars not to make a claim against the Warranty for one month due to the condition of the Vehicle.

11. Having agreed to purchase the Warranty, a second purchase agreement for the Vehicle was prepared by Lucky Stars on December 12, 2023 ("Purchase Agreement #2"). This agreement indicates that the Warranty is included as Optional Equipment but the cost of the Warranty is not specifically stated. At the time Purchase Agreement #2 was prepared by Lucky Stars, Mr. Mehrpouya says that his copy of Purchase Agreement #1 was taken from him by someone with Lucky Stars although Mr. Ghamary denies this.
12. The Dealer Declaration section in Purchase Agreement #2 indicates that the Vehicle complies with the requirements of the *Motor Vehicle Act* ("MVA").
13. Mr. Mehrpouya says that the Vehicle has been virtually unusable since its purchase and that he has spent a considerable amount of money on repairs, including replacement of the Vehicle's engine. He says that he was never told by Lucky Stars that the Vehicle was not suitable for transportation and that he clearly advised Lucky Stars that he intended to purchase the Vehicle for family use.

**b. The Respondents**

14. Mr. Ghamary provided a response on behalf of himself, Lucky Stars and Mr. Ebrahimi. He denies that Mr. Ebrahimi was acting as a salesperson or otherwise involved in the sale of the Vehicle to Mr. Mehrpouya. Mr. Ghamary says that he and Lucky Stars' manager Hamid (Dany) Mirmotahari were present at the dealership on December 11, 2023 when Mr. Mehrpouya came to enquire about the Vehicle.
15. Mr. Ghamary says that Mr. Ebrahimi was employed by Lucky Stars as a "lot boy" and that the advertisements he posted were done without Mr. Ghamary's knowledge. When he did become aware of this practice, he directed Mr. Ebrahimi to allow two salespeople at Lucky Stars, including Mr. Mirmotahari to have access to the accounts through which the advertisements had been posted for the purpose of responding to enquiries. He says that Mr. Ebrahimi posted the advertisements to better learn and understand the industry and that eventually he became licensed as a salesperson.
16. Mr. Ghamary provided a copy of Purchase Agreement #1. This agreement indicates that the price of the Vehicle is \$8,500 and the documentation fee is \$475. There is a handwritten note on the agreement which states that "The Truck is not suitable for

transportation and is sold for parts only and client is aware of that.” The initials “S.M” are written under that. The Dealer Declaration section in the agreement also states that the Vehicle is not suitable for transportation, is sold for parts only or for purposes other than transportation and that this has been disclosed to the purchaser. Mr. Ghamary says that Purchase Agreement #1 was provided to Mr. Mehrpouya and he was aware that the Vehicle was not suitable for transportation at the time he purchased it.

17. Mr. Ghamary also provided a copy of an inspection report for the Vehicle dated December 10, 2023. He points to the comment in the report saying, “Engine light is on” and the initials “SM” under this. Mr. Ghamary says that these are Mr. Mehrpouya’s initials.
18. Ownership of the Vehicle was transferred from Lucky Stars to Mr. Mehrpouya on December 11, 2023.
19. Mr. Ghamary admits that Purchase Agreement #2 was created by Mr. Mirmotahari because Mr. Mehrpouya was “seeking reassurance regarding future support in case the costs exceeded his budget.” Mr. Ghamary acknowledges that the creation of Purchase Agreement #2 was a mistake which led to their business relationship with Global Warranty coming to an end due to a breach of their policies. Mr. Mirmotahari is no longer employed by Lucky Stars as a result. However, Mr. Ghamary says that Purchase Agreement #2 was created “to help the customer qualify for the warranty” and “as a supportive gesture.” Mr. Ghamary further admits that the price of the Vehicle and the price of the Warranty were combined into a single total “to simplify the documentation.”
20. Mr. Ghamary says that Lucky Stars did not assist Mr. Mehrpouya in licensing the Vehicle and that Mr. Ebrahimi simply drove Mr. Mehrpouya to the nearest Autoplan office. He says that it was Mr. Mirmotahari who drove the Vehicle to the nearby gas station and that Mr. Mehrpouya met Mr. Ebrahimi there as he brought a screwdriver to assist with the securing of license plates.
21. Finally, Mr. Ghamary says that while Mr. Ebrahimi did delete the original advertisement for the Vehicle, he preserved the evidence by way of a screenshot and as such, this evidence was not destroyed or withheld.

**c. Mr. Ebrahimi**

22. Mr. Ebrahimi provided submissions of his own. He denies having been involved in any sales negotiations or decision making with respect to the sale of the Vehicle and insists that he simply followed the instructions of his employer. He says that he posted advertisements for vehicles offered for sale by Lucky Stars on his personal social media accounts as a means by which to gain experience but did so without Mr. Ghamary's knowledge. He further states that another licensed salesperson named "Danny" had access to his accounts through a shared computer and was responsible for responding to any messages sent regarding vehicles. I assume that the person referred to by Mr. Ebrahimi as "Danny" is Mr. Mirmotahari whom I note is not a Respondent or a witness in this matter.
23. Mr. Ebrahimi recalled Mr. Mehrpouya attending at Lucky Stars on December 11, 2023 and says that his contact with Mr. Mehrpouya was initially to advise him as to when the Vehicle had arrived at the dealership. He was then asked by Mr. Mirmotahari to drive Mr. Mehrpouya to his home and then to ICBC. He says he waited in the car for Mr. Mehrpouya and on their return to Lucky Stars, he provided Mr. Mehrpouya with a screwdriver at his request. At that time the Vehicle had been moved by Danny from Lucky Stars to a Shell gas station located adjacent to the dealership.
24. Mr. Ebrahimi says he next met Mr. Mehrpouya at Lucky Stars on December 12, 2023 at which time Mr. Mehrpouya advised him that a mechanic named "Reza" had recommended that he purchase a warranty for the Vehicle but otherwise had indicated after an inspection that the Vehicle was "a good purchase." He then met with Mr. Mirmotahari in the dealership office and left after having purchased the Warranty.
25. Mr. Ebrahimi noted that on December 10, 2023, one day prior to Mr. Mehrpouya purchasing the Vehicle, Mr. Ebrahimi drove the Vehicle to the mechanic Reza for an inspection. He further says that at the time of the inspection, the "engine light" was on and this was noted on the inspection report prepared by Reza.
26. Mr. Ebrahimi says that Mr. Mehrpouya messaged him again on April 28, 2023 to enquire whether Lucky Stars had any Japanese vehicles for sale. He says that "Throughout all of

our interactions, he never expressed any dissatisfaction or concerns regarding the dealership or his purchase.”

27. Finally, Mr. Ebrahimi admits that he deleted the Facebook Marketplace advertisement for the Vehicle but he took a screenshot of it first. He says that the deletion was pursuant to company policy and that he did not do this as a result of instructions from Mr. Ghamary during the investigation of the complaint in this matter.

## **V. Positions of the parties**

### **a. The Authority**

28. The Authority's position is set out in its Hearing Notice dated July 17, 2025. It says that the facts warrant the following findings:

(a) Lucky Stars employed an unlicensed salesperson, contrary to section 13.1 of the *Motor Dealer Act*, R.S.B.C. 1996 (“MDA”);

(b) The advertisement posted by Ebrahimi for the Vehicle did not include a statement that the Vehicle was not suitable for transportation and was sold for parts only or purposes other than transportation, contrary to section 22 of the *Motor Dealer Act Regulation* (B.C. Reg. 447/78) (“MDAR”);

(c) The Vehicle advertised for sale by Lucky Stars did not have the statement "Not Suitable for Transportation" affixed to it in a clear and legible manner, contrary to subsection 27(b) of the MDAR;

(d) Lucky Stars fabricated a fraudulent, second Motor Vehicle Purchase Agreement which falsely declared that “The motor vehicle complies with the requirements of the Motor Vehicle Act”, contrary to paragraphs 4(3)(a)(ii) and 4(3)(b)(vi), and subsection 5(1), of the *Business Practices and Consumer Protection Act*, (“BPCPA”) and paragraph 33(2)(a) of the MDAR;

(e) The fraudulent, second Motor Vehicle Purchase Agreement does not expressly itemize the cost of the “Global Silver Package Warranty” contrary to paragraph 21(1)(l) and subsection 21(2) of the MDAR;

(f) Despite declaring that the Vehicle “is not suitable for transportation and is sold for parts only”, Lucky Stars helped Mehrpouya licence the Vehicle for transportation by having Mirmotahari drive the Vehicle to a Shell gas station, and by having Ebrahimi drive Mehrpouya “to the nearest Autoplan.” Consequently, Lucky Stars and Ebrahimi aided, abetted or caused Mehrpouya to contravene section 75 of *Motor Vehicle Act*, R.S.B.C. 1996, c. 318 by allowing the vehicle to be driven onto public roads when it was unsuitable for transportation, contrary to paragraph 33(2)(i)(iii) of the MDAR; and

(g) Lucky Stars and Ebrahimi deleted evidence of an advertisement during an active investigation, after Lucky Stars was asked to provide a copy of the advertisement, in an effort to frustrate the authority’s investigation, contrary to paragraph 33(2)(a) of the MDRAR.

**b. The Respondents – Mr. Ghamary and Lucky Stars**

29. Mr. Ghamary in his written submissions addresses each alleged contravention as set out in the Hearing Notice on behalf of the Respondents:

- (a) Section 13.1 MDA: Lucky Stars has never hired unlicensed salespersons and denies that Mr. Ebrahimi acted as a salesperson in relation to the sale of the Vehicle. Mr. Ebrahimi was a “lot boy” and was not authorized to speak with customers regarding vehicle sales;
- (b) Section 22 MDAR: The advertisement posted by Mr. Ebrahimi was on his personal Facebook Marketplace page and was posted without authorization from Lucky Stars;
- (c) Section 27(b) MDAR: Lucky Stars cannot be held responsible for an unauthorized advertisement posted by an employee on his personal Facebook Marketplace page;
- (d) Sections 5(1) BPCPA and 33(2)(a) MDAR: While it was a mistake to create a second Purchase Agreement, it was done to assist Mr. Mehrpouya due to his financial situation;
- (e) Section 21(1)(l) and 21(2) MDAR: The second purchase agreement was presented to Mr. Mehrpouya by Mr. Mirmotahari as a “simple Bill of Sale”;
- (f) Section 33(2)(i)(iii) MDAR: Lucky Stars did not assist Mr. Mehrpouya in licensing the Vehicle. Mr. Ghamary says that Mr. Ebrahimi gave Mr. Mehrpouya a ride to the nearest Autoplan office; and

- (g) Section 33(2)(a) MDAR: While it is acknowledged that Mr. Ebrahimi deleted the advertisement, it was not done intentionally and a screen shot had been taken and provided to the Authority.

**c. The Respondent – Mr. Ebrahimi**

30. Mr. Ebrahimi denies having acted as a salesperson in relation to Mr. Mehrpouya's purchase of the Vehicle. He further says that while he did delete the initial advertisement for the Vehicle at Mr. Ghamary's request, he kept a screenshot of it in case it was needed later.

**V. Remedy Sought**

31. The Authority seeks the following:

- (a) Suspension, or alternatively the cancellation, of the motor dealer and salesperson licenses of Lucky Stars, Mr. Ghamary and Mr. Ebrahimi. With respect to Mr. Ghamary, the Authority seeks a further order that he be prohibited from applying for another dealer license indefinitely.
- (b) Administrative penalties issued to Lucky Stars, Mr. Ghamary and Mr. Ebrahimi pursuant to sections 26.04 of the MDA and 164 of the BPCPA;
- (c) An order that Lucky Stars reimburse money to Mr. Mehrpouya or otherwise compensates Mr. Mehrpouya pursuant to sections 26.02(4) of the MDA and 155(4) of the BPCPA; and
- (d) An order that Lucky Stars, Mr. Ghamary and Mr. Ebrahimi jointly and severally reimburse the Authority its actual costs, including legal costs, incurred in relation to this matter.

32. Mr. Mehrpouya seeks rescission of the purchase agreement, reimbursement of the expenses he has incurred with respect to the Vehicle and compensation for out-of-pocket costs related to his being unable to use the Vehicle.

## VI. Analysis

33. As noted previously, there are significant disagreements between the parties as to the facts in this matter. I have considered all of the evidence and my analysis which follows acknowledges that the Authority bears the burden of proof which is a proof on a balance of probabilities. Where that burden shifts to the Respondents, I will specifically indicate that in my analysis.

### a. *Motor Dealer Act* section 13.1

34. Section 13.1 of the MDA prohibits a motor dealer from employing or engaging a salesperson unless they are licensed. If it can be shown that Mr. Ghamary was an officer, director or agent of Lucky Stars and that he authorized, permitted or acquiesced in a breach of section 13.1 of the MDA, he can be held equally responsible for the dealer's breach: section 26.04(5) MDA.

35. Section 1 of the MDA defines salesperson as meaning:

(a) an individual, other than a motor dealer, who, on behalf of a motor dealer and for or in the expectation of a fee, gain or reward,

(i) solicits, negotiates or arranges for the sale of a motor vehicle to a person,  
or

(ii) in any way participates in the soliciting, negotiating or arranging for the sale of a motor vehicle to a person, or

(b) an individual who is a motor dealer and who

(i) solicits, negotiates or arranges for the sale of a motor vehicle to a person,  
or

(ii) in any way participates in the soliciting, negotiating or arranging for the sale of a motor vehicle to a person

36. The analysis in this case engages section 1(a) which applies to an individual employed or engaged by a motor dealer. Section 1(b) applies to an individual also acting as a motor dealer, typically as a sole proprietor who must be registered as a motor dealer and licensed as a salesperson.

37. The applicable interpretation of section 1(a) was addressed by Registrar Christman in *Re: Darryl's Best Buys Auto Sales Ltd. et al* (July 7, 2020, File 19-11-005, Registrar) at paragraph 21:

[21] The underlined words show that if an individual is expecting a fee, gain or reward and in any way participating in the soliciting, negotiation or arranging a sale (which includes a lease or transfer by any means) they are acting as a salesperson. An actual sale need not occur. Further, the conduct of the salesperson and what they say before, during and after the sale is also regulated conduct requiring that they be licensed. (emphasis added)

- See *Re: Best Import Auto Ltd. et al* (File 17-08-002, November 28, 2017, Registrar) at paragraphs 79-92., affirmed in *Best Import Auto Ltd. v Motor Dealer Council of British Columbia*, 2018 BCSC 834 (CanLII)

38. It is Mr. Ebrahimi's evidence that he initially posted advertisements for vehicles offered for sale by Lucky Stars on his own initiative and without Mr. Ghamary's knowledge "to try to understand what would attract attention and generate interest." It appears that he engaged in this practice to better himself, learn the motor vehicle sales industry and prepare to eventually become licensed as a salesperson.

39. While the posting of the advertisements would in and of itself constitute a solicitation for the purchase of the Vehicle, that does not end the analysis with respect to section 13.1 of the MDA. There must also be an expectation of a fee, gain or reward in exchange for doing so. Mr. Ebrahimi's employment with Lucky Stars was by description, as a lot boy with a variety of responsibilities. The posting of advertisements for vehicles offered for sale by Lucky Stars appears to have been a task that he took on primarily for his own benefit. With no expectation of a fee, gain or reward, Mr. Ebrahimi was not acting as a salesperson as defined by the MDA and on that basis, I dismiss the allegation that Lucky Stars employed an unlicensed salesperson contrary to section 13.1 of the MDA.

**b. Motor Dealer Act Regulation section 22**

40. Section 22 of the MDAR protects consumers from purchasing vehicles that are unsuitable for transportation without their knowledge. A motor dealer must include a statement in any written representation used in a consumer transaction for the purchase of a motor vehicle not intended for transportation that the motor vehicle is not suitable for transportation and is sold for parts only or purposes other than transportation. The inclusion of such a statement prevents a motor dealer from encouraging a consumer to purchase a vehicle, only to be told after the fact that the vehicle is not suitable for transportation: *Re: Best Import Auto Ltd et al.* 2017-BCRMD-017 at para.24.
41. It is Mr. Ghamary's evidence that the Vehicle was not suitable for transportation and that it was offered for sale on that basis. This is reflected in Purchase Agreement #1. There were two advertisements listing the Vehicle for sale on social media but neither included the required statement that the Vehicle was not suitable for transportation and sold for parts only. It is not until Purchase Agreement #1 was prepared that this manner of language appears.
42. Mr. Ghamary takes the position that the advertisements in question were created by Mr. Ebrahimi, who at the time was not licensed as a salesperson, without his knowledge or authority and that in fact, one of the accounts was created by Mr. Ebrahimi himself and was not an official page of the dealership. As noted by the Authority however, Mr. Ghamary does not deny that the advertisements failed to comply with section 22 of the MDAR.
43. While Mr. Ghamary seeks to distance himself and Lucky Stars from Mr. Ebrahimi's actions, vicarious liability arises where an employer is held responsible for the wrongful acts of its employees that are committed in the course of their employment. The Supreme Court of Canada has held that liability may be imposed where the employer's enterprise and assignment of duties materially increases the risk of the wrongful act (*Bazley v. Curry*, [1999] 2 S.C.R. 534 at paragraph 43).
44. Despite his position as a "lot boy", Mr. Ghamary was aware of Mr. Ebrahimi's practice of posting advertisements for vehicles offered for sale by Lucky Stars. While Mr. Ghamary did limit Mr. Ebrahimi's activities somewhat, there is no evidence that Mr. Ebrahimi was directed to cease posting further advertisements and according to Mr. Ghamary he was

able to continue to monitor the advertisements he posted as a learning opportunity. There is no evidence that anyone with Lucky Stars reviewed the advertisements to ensure that they met the requirements of section 22.

45. The advertisements viewed by Mr. Mehrpouya in respect of the Vehicle clearly did not meet the requirements of section 22 of the MDAR. While Mr. Ghamary takes the position that the advertisements were unauthorized, the assignment of duties by him to Mr. Ebrahimi materially increased the risk of wrongful activity and on that basis, I find Lucky Stars to be vicariously liable for Mr. Ebrahimi's contravention of section 22 of the MDAR. I note again that this occurred prior to Mr. Ebrahimi becoming licensed as a salesperson.

**c. Motor Dealer Act Regulation section 27(b)**

46. Section 27(b) of the MDAR complements section 22 insofar as it serves to provide notice to prospective purchasers of used vehicles that are not suitable for transportation. A motor dealer that exhibits or offers for sale a used motor vehicle that is not suitable for transportation, must physically attach to it in a clear and legible manner the statement "Not Suitable for Transportation." This notice must be physically attached to the vehicle: *Pham et al, v. Super Sale Auto Ltd. et al.* 2019-BCRMD-021 at para.6
47. There is no evidence that the required language was physically attached to the Vehicle. Further, the Respondents do not deny this allegation and have not adduced evidence to refute the allegation. As noted above, Mr. Ghamary admits that the Vehicle was not suitable for transportation and that it was sold on that basis.
48. I find that Lucky Stars contravened section 27(b) of the MDAR by failing to attach in a clear and legible manner to the Vehicle, which was exhibited or offered for sale, a statement "Not suitable for transportation."

**d. Business Practices and Consumer Protection Act section 5(1) and Motor Dealer Act Regulation section 33(2)(a)**

49. The Authority alleges that the creation of Purchase Agreement #2 constitutes a deceptive act or practice contrary to section 5(1) of the BPCPA and a contravention of section 33(2)(a) of the MDAR which requires that a licensee or registrant must act with honesty and integrity in the course of business. I will address these two allegations separately.

*i. Section 5(1) BPCPA - Deceptive act or practice*

50. The BPCPA regulates licensees and includes enforcement provisions to ensure compliance with that legislation. It contains consumer protection provisions which set conduct expectations for suppliers and provides consumers with rights and remedies if they suffer harm due to a breach of those rights. Certain consumer protection provisions of the BPCPA have been incorporated into the MDA for administration by the Registrar: *Webster and VSA v. Pioneer Garage Ltd et al*, 2017-BCRMD-013.
51. Section 5(1) of the BPCPA prohibits suppliers from committing or engaging in a deceptive act or practice in respect of a consumer transaction. Where a deceptive act or practice is alleged by a consumer, section 5(2) provides that the burden of proof shifts to the supplier to demonstrate that the deceptive act was not committed or engaged in. However, before the burden shifts, there must be evidence indicating that the deceptive act or practice has been committed: *Crown Auto Body and Auto Sales Ltd. v. Motor Vehicle Sales Authority of British Columbia*, 2014 BCSC 894 (BCSC) at paragraphs 26-27. In other words, a bare allegation is not enough. There must be some evidence that the deceptive act or practice has been committed.
52. A “deceptive act or practice” is defined by section 4(1) of the BPCPA as meaning in relation to a consumer transaction:
- (a) an oral, written, visual, descriptive or other representation by a supplier, or
  - (b) any conduct by a supplier that has the capability, tendency or effect of deceiving or misleading a consumer or guarantor.
53. Section 4(3) of the BPCPA provides examples of conduct that the British Columbia Legislature has deemed to constitute deceptive acts and practices. This includes but is not limited to misrepresenting the standard or quality of a motor vehicle or failing to state a material fact in relation to a consumer transaction: sections 4(3)(a)(ii) and 4(3)(b)(vi).
54. A deceptive act or practice may be innocent, negligent, or deliberate conduct by a dealer or salesperson: *Webster*, supra.

55. Where a consumer seeks damages under the BPCPA that are the result of a supplier committing a deceptive act or practice, common law considerations of reasonable reliance, a connection between the breach and the harm and the quantum of damages arising out of the harm must be met by the consumer: *Webster*, supra.
56. It is uncontested by Mr. Ghamary that when Mr. Mehrpouya returned to Lucky Stars on December 12, 2023, Mr. Mirmotahari sold Mr. Mehrpouya the Warranty and created Purchase Agreement #2, combining the cost of the Warranty and the cost of the Vehicle into one total sale price. This occurred the day after ownership of the Vehicle had already been transferred by Lucky Stars to Mr. Mehrpouya. On this basis, I find there to be sufficient evidence of a breach of section 5(1) of the BPCPA to shift the burden of proof to Lucky Stars.
57. Mr. Ghamary says that Mr. Mirmotahari's purpose in creating Purchase Agreement #2 was with "good intentions" and "to support [Mr. Mehrpouya] in managing his financial situation, and ultimately, this action saved him a significant amount of money." Mr. Ghamary acknowledges however that the creation of Purchase Agreement #2 was a mistake and that it led to the end of its business relationship with Global Warranty due to a breach of their policies. Mr. Mirmotahari's employment with Lucky Stars also ended as a result of the second agreement being created.
58. While Mr. Ghamary would characterize the creation of Purchase Agreement #2 as a means by which Mr. Mehrpouya would realize a benefit, I find that the creation of this agreement was a deceptive act in relation to the consumer transaction between Lucky Stars and Mr. Mehrpouya.
59. When Mr. Mehrpouya attended at Lucky Stars on December 12, 2023, he already owned the Vehicle as ownership had been transferred the day prior. When it created Purchase Agreement #2, Lucky Stars misrepresented two key facts. First, it indicated that the Vehicle's purchase date was December 12, 2023 and in doing so, it failed to state a material fact, namely, the actual purchase date of the Vehicle. Second, it failed to indicate that the Vehicle was not suitable for transportation and sold for parts only and not in compliance with the MVA. This was a misrepresentation of the quality of the Vehicle. The creation of Purchase Agreement #2 in this manner was intended to mislead Global

Warranty and in doing so, Lucky Stars' business relationship with Global Warranty was terminated.

60. In *Webster, supra*, Registrar Christman applied section 5(1) of the BPCPA in the context of a motor dealer acting as a loan broker on behalf of a consumer. In finding that the BPCPA did apply, he stated as follows:

[22] Subsection 5(1) of the BPCPA prohibits a supplier from committing a deceptive act or practice "in respect of a consumer transaction."

5(1) A supplier must not commit or engage in a deceptive act or practice in respect of a consumer transaction. (Emphasis added.)

[23] The Legislature has not prohibited suppliers from committing deceptive acts or practices to a consumer, but in relation to a consumer transaction. In subsection 1(1) of the BPCPA, the definition of consumer transaction includes the provision of goods or services to a consumer. (emphasis added)

[24] The services that may be provided to a consumer include acting on behalf of a consumer in a consumer transaction, such as a loan broker as defined in Part 5 of the BPCPA. It may be that a loan broker, acting on behalf of a consumer, in respect of a consumer transaction, makes misrepresentations to a third party, such as a lender, which may harm a consumer. The BPCPA is meant to protect consumers in such situations. A consumer is not to be deprived of the protections and remedies available under the BPCPA, just because the supplier in such a case did not make a misrepresentation directly to the consumer.

61. I find that the circumstances in this case are similar to those in *Webster*. Through the creation of Purchase Agreement #2 and the Warranty, Lucky Stars made misrepresentations to a third party, Global Warranty. These misrepresentations were made in relation to the consumer transaction with Mr. Mehrpouya. Lucky Stars has not discharged the burden of proof that the deceptive act or practice was not committed. I find that the creation of Purchase Agreement #2 was a deceptive act or practice in relation to the consumer transaction between Mr. Mehrpouya and Lucky Stars and I find that Lucky Stars breached section 5(1) of the BPCPA.

ii. Section 33(2)(a) MDAR – Honesty and integrity

62. Section 33(2)(a) of the MDAR requires a licensee or registrant to act with honesty and integrity in the course of business. This section falls within the Code of Conduct provisions in the MDAR.

63. In *Fryer v. Motor Vehicle Sales Authority of British Columbia*, 2015 BCSC 279, affirming *Re: Peter Fryer* (December 13, 2013, Hearing File No. 13-11-005, Registrar), Madam Justice Sharma of the British Columbia Supreme Court commented on the importance of salespersons acting with honesty and integrity:

[23] The Registrar states that the requirement to examine a person's past conduct demonstrates an overarching concern with public safety. Past conduct is the statutory tool by which the Registrar can determine if applicants will be governable, act in accordance with the law and conduct themselves with honesty and integrity. Salespersons are in a position of trust with the buying public who rely on them to give clear and honest information about buying motor vehicles. The public also expects safety to be a priority if taking a test drive with a salesperson. Lastly, integrity is important because salespersons may be privy to customer's confidential personal information including home address and financial information.

64. In this case, Mr. Mirmotahari, who at the time was employed by Lucky Stars as its sales manager, created a false purchase agreement for the sole purpose of assisting Mr. Mehrpouya in obtaining warranty coverage for the Vehicle that he could not otherwise obtain. This ruse was ultimately uncovered by Global Warranty who terminated its business relationship with Lucky Stars. As was the case with Mr. Ebrahimi, I find that Lucky Stars is vicariously liable for the actions of its employee Mr. Mirmotahari. As its sales manager, Lucky Stars' assignment of duties materially increased the risk of the wrongful act. On this basis I find that Lucky Stars failed to act with honesty and integrity in the course of business, contrary to section 33(2)(a) of the MDAR.

**e. *Motor Dealer Act Regulation sections 21(1)(I) and 21(2)***

65. Section 21(1) and (2) of the MDAR describe the information that must be included in a written representation, including a purchase agreement, respecting a motor dealer's sale of a new or used motor vehicle.

66. Here the Authority argues that Purchase Agreement #2 failed to expressly itemize the cost of the Warranty. Mr. Ghamary submits that by combining the cost of the Warranty and the cost of the Vehicle, they “simplified the total cost by combining the vehicle price and warranty into one amount and presented the transaction as a regular sale.”
67. As noted previously, the Vehicle was sold and ownership transferred to Mr. Mehrpouya on December 11, 2023. Purchase Agreement #2 was created on December 12, 2023 for the sole purpose of misrepresenting the actual sale of the Vehicle to Global Warranty and to obtain warranty coverage. As the Vehicle was already sold, the creation of Purchase Agreement #2 was not, and could not be in respect of the sale of a motor vehicle. On this basis, I find that Lucky Stars actions do not constitute a breach of sections 21(1)(l) and section 21(2) of the MDAR and I dismiss these allegations accordingly.

**f. *Motor Dealer Act Regulation section 33(2)(i)(iii)***

68. A licensee or registrant while acting in the course of business must not aid, abet or cause a person to contravene any law of British Columbia or of another jurisdiction. This provision requires motor dealers to act lawfully, not cause anyone else to break the law, as well as not counsel or assist someone to break the law: *Re: Tibbo* 2019-BCRMD-030 at para.21.
69. This provision frequently operates in conjunction with section 219 of the *Motor Vehicle Act* (“MVA”) which prohibits a person from driving or operating a motor vehicle on a highway unless it is equipped in all respects in compliance with that Act and its regulations. Therefore, if a motor dealer sells a motor vehicle that is not compliant with the MVA or its regulations and aids, abets or causes consumer to drive that vehicle on a highway contrary to section 219 of the MVA, the motor dealer is in breach of section 33(2)(i)(iii) of the MDAR.
70. In the Hearing Notice, the Authority alleges that Lucky Stars and Mr. Ebrahimi aided, abetted or caused Mr. Mehrpouya to contravene section 75 of the MVA by allowing the Vehicle to be driven only public roads when it was unsuitable for transportation, contrary to paragraph 33(2)(i)(iii) of the MDAR. However, as I noted in *Vehicle Sales Authority of British Columbia v. Messiah Motor Cars Inc. et al* (H-25-04-005), August 14, 2025, section 75 of the MVA is a consequential provision that flows from the contravention of a previous section of that legislation.

71. In its reply submissions, the Authority clarified its position that Lucky Stars and Mr. Ebrahimi aided, abetted or caused Mr. Mehrpouya to contravene section 219 of the MVA by allowing the Vehicle to be driven onto public roads when it was unsuitable for transportation contrary to section 33(2)(i)(iii) of the MDAR. The Authority further argues that Mr. Ebrahimi driving Mr. Mehrpouya to an Autoplan office for the purpose of insuring the Vehicle constitutes a contravention of section 33(2)(i)(iii). Section 75 of the MVA creates an offence where a person contravenes a section of the MVA by doing an act that it forbids. Therefore, a finding that a person has breached section 219 of the MVA will constitute an offence pursuant to section 75. As was the case in *Messiah, supra*, I find that the Hearing Notice was sufficiently particularized such that the Respondents were aware of the case that they had to meet.
72. Mr. Ghamary admits that the Vehicle was not suitable for transportation and sold for parts only. Purchase Agreement #1 documents that fact and clearly indicates that it was not compliant with the MVA. The disputed evidence however is whether Mr. Mehrpouya, or anyone else were permitted by Lucky Stars to drive the Vehicle from the dealership which, if proven, would constitute a breach of section 219 of the MVA and by extension, a breach of section 33(2)(i)(iii) of the MDAR. It is not disputed that Mr. Ebrahimi drove Mr. Mehrpouya to the Autoplan office where he insured the Vehicle.
73. I remind myself again that the burden of proof remains with the Authority who argues that Mr. Mehrpouya drove the Vehicle on three distinct occasions on December 11, 2023 prior to purchasing it – a test drive, to the mechanic, and to the Shell station. The Authority further says that the mechanic Reza drove the Vehicle as part of his inspection.
74. Mr. Ghamary denies that Mr. Mehrpouya test drove the Vehicle or that he drove the Vehicle to the mechanic to be inspected prior to its purchase. He says that doing so was prohibited by Lucky Stars' policy. A copy of that policy is not in evidence.
75. Given the contradictory nature of Mr. Mehrpouya's and Mr. Ghamary's evidence, I look to other sources of evidence to resolve the question of whether Mr. Mehrpouya drove the Vehicle from the dealership. In his Response, Mr. Ebrahimi says that the day before Mr. Mehrpouya's purchase, Mr. Ebrahimi drove the Vehicle to the mechanic to have it inspected and as part of the inspection, the mechanic test drove the Vehicle. This is supported by the December 10, 2023 inspection report.

76. In addition, Mr. Ghamary and Mr. Ebrahimi both say that Mr. Mirmotahari drove the Vehicle to the Shell station on the day of Mr. Mehrpouya's purchase. While Mr. Mehrpouya says that he drove the Vehicle to the Shell station, I find that it is not necessary to make a finding of fact as to who drove the Vehicle at that time. I am able to draw from these competing positions, including Mr. Ghamary's own evidence, that Lucky Stars allowed the Vehicle to be driven from the dealership to the Shell station while uninsured, without a license plate and despite it being sold as unsuitable for transportation and not compliant with the MVA.

*i. Can Lucky Stars invoke a defence of officially induced error?*

77. I pause in my analysis to address the suggestion by Mr. Ghamary that the practice of having the uninsured and unplatd Vehicle driven to the Shell station was either authorized or suggested by a VSA staff member, Christopher Coleman, in March 2024. By doing so, M. Ghamary invokes a defence of officially induced error, saying that he acted on the advice or guidance of the regulator. The Authority provided a response to Mr. Ghamary's evidence in its reply, indicating that Mr. Coleman had been provided a copy of the written submissions and including a quoted response attributable to Mr. Coleman.

78. Mr. Coleman was not called as a witness in this matter by any party. He did not provide a statement. His evidence is included in both Mr. Ghamary's and the Authority's written submissions and it is hearsay. The inclusion by both Mr. Ghamary and the Authority of Mr. Coleman's comments constitutes out-of-court statements offered for the proof of their contents. As I noted in *Vehicle Sales Authority of British Columbia v. 715 Motor Haus Ltd. et al* (H-25-06-002), September 12, 2025:

45. As noted above, hearsay evidence is not in and of itself inadmissible. If it is found to be logically probative and reliable, it may be admissible leaving the question of what weight to be attached to it. It may also be admissible on application of the business records exemption found in the *Evidence Act*.

79. The defence of officially induced error has been recognized by the Supreme Court of Canada in *R. v. Jorgenson* [1995] 4 SCR 55 and clarified in *Levis (City) v. Tetrault*, 2006 SCC 12. In *Levis*, the Court set out six conditions that must be met by a party seeking to invoke this defence:

1. The error must be one of law;
2. The accused must have considered the legal consequences of their actions;
3. The advice must have come from an appropriate official;
4. The advice must have been reasonable;
5. The advice must have been relied upon in good faith; and
6. The conduct must have been such that it would have been lawful had the advice been correct.

80. Applying the test in *Levis*, the burden of proof lies with Mr. Ghamary and the analysis focuses on the advice that is alleged to have been given. Here, there is a significant dispute as to what was said by Mr. Coleman. The Authority disputes Mr. Ghamary's recollection of Mr. Coleman's advice. Mr. Ghamary has not provided any manner of corroborating evidence that would support his position. As Mr. Coleman was not called as a witness, his evidence cannot be tested.. Without reliable evidence, the conditions as set out in *Levis* cannot be assessed or met and as such I find that it the defence of officially induced error is not available to Lucky Stars.

81. Returning to my analysis, I find on a balance of probabilities that Mr. Mehrpouya test drove the Vehicle and drove it to a mechanic for a pre-purchase inspection. I also find that Mr. Ebrahimi drove Mr. Mehrpouya to an Autoplan office in order that he could insure the Vehicle. While Mr. Ghamary says that Lucky Stars had a policy that prohibited test drives and pre-purchase inspections, that policy was not in evidence and it was Mr. Ebrahimi's evidence that he and a mechanic both drove the Vehicle the day before Mr. Mehrpouya's purchase.

82. The cumulative effect of these actions demonstrates that Lucky Stars not only allowed but actively facilitated the operation of the Vehicle on public highways. Lucky Stars' conduct went beyond passive acquiescence. By permitting the test drive and the drive to the mechanic for the inspection, Lucky Stars materially contributed to Mr. Mehrpouya's unlawful operation of the vehicle. The act of driving Mr. Mehrpouya to the Autoplan office further supports a finding that Lucky Stars facilitated the steps necessary for Mr. Mehrpouya to operate the vehicle on a highway despite it not being compliant with the MVA. In doing so, he was in contravention of section 219 of the MVA and I find that Lucky Stars aided, abetted or caused Mr. Mehrpouya to contravene the MVA and by extension, it breached section 33(2)(i)(iii) of the MDAR.

**g. Motor Dealer Act Regulation section 33(2)(a)**

83. Finally, the Authority alleges that Lucky Stars and Mr. Ebrahimi breached section 33(2)(a) of the MDAR by deleting evidence during an active investigation. More specifically, the Authority says that Mr. Ebrahimi deleted an advertisement listing the Vehicle for sale in an effort to frustrate the Authority's investigation.
84. As noted previously in this decision, section 33(2)(a) requires licensees and registrants to act with honesty and integrity in the course of business. This section falls within the MDAR Code of Conduct.
85. In his complaint which was included as an exhibit to the affidavit of Investigation Officer Joel Jordan, Mr. Mehrpouya provided screenshots of two advertisements for the Vehicle from December 10 and 11, 2023. In his affidavit, Mr. Jordan says this:
12. In connection with its response to the Mehrpouya Complaint, Lucky Stars also provided the Authority with the following documents:
- (a) Facebook Messenger Messages dated December 11, 2023 between Mehrpouya and Ebrahimi, a copy of which is now produced and shown to me and marked as **Exhibit "H" (Page 011)** to this my affidavit.
86. Mr. Jordan indicates in his affidavit that Lucky Stars' response to the Mehrpouya complaint was received January 12, 2025. Exhibit "H" to Mr. Jordan's affidavit consists of advertisements for the Vehicle as well as message exchanges.
87. While both Mr. Ghamary and Mr. Ebrahimi admit that the advertisements were deleted, both maintain that screenshots were taken to preserve the evidence. Mr. Jordan's affidavit indicates that Lucky Stars provided the advertisements to the Authority on January 12, 2025.
88. To find a breach of section 33(2)(a) of the MDAR, the evidence must demonstrate that a licensee or registrant, while in the course of business, acted in a manner that displayed a lack of honesty and integrity. Here, I do not find sufficient evidence to support such a conclusion. Mr. Ebrahimi admits to deleting the advertisement but insists he kept a

screenshot given that he had knowledge of the investigation. Lucky Stars in turn provided screenshots of the advertisement to the Authority. I dismiss this allegation.

### VIII. Summary of Findings

89. I find that the following contraventions have been proven on a balance of probabilities:

- (a) Lucky Stars, through its employee Mr. Ebrahimi, failed to include in advertisements posted for the sale of the Vehicle which was not intended for transportation, a statement that the Vehicle was not suitable for transportation and sold for parts only or purposes other than transportation contrary to section 22 of the MDAR;
- (b) Lucky Stars failed to affix to the Vehicle, which was exhibited or offered for sale and not suitable for transportation, in a clear and legible manner, the statement “Not Suitable for Transportation” contrary to section 27(b) of the MDAR
- (c) Lucky Stars committed or engaged in a deceptive act or practice in respect of a consumer transaction contrary to section 5(1) of the BPCPA by creating a second purchase agreement after ownership of the Vehicle had passed to Mr. Mehrpouya and which failed to indicate that the Vehicle was not suitable for transportation and not compliant with the MVA;
- (d) Lucky Stars failed to act with honesty and integrity as required by section 33(2)(a) of the MDAR by creating a second purchase agreement after ownership of the Vehicle had passed to Mr. Mehrpouya and which failed to indicate that the Vehicle was not suitable for transportation and not compliant with the MVA; and
- (e) Lucky Stars aided, abetted or caused Mr. Mehrpouya to contravene section 219 of the *Motor Vehicle Act* by allowing the Vehicle to be driven from its dealership and onto a highway when it was unsuitable for transportation, contrary to paragraph 33(2)(i)(iii) of the MDAR.

90. I dismiss the allegations that Lucky Stars employed an unlicensed salesperson contrary to section 13.1 of the MDA, that it failed to expressly itemize the cost of the Warranty in Purchase Agreement #2 contrary to sections 21(1)(l) and 21(2) of the MDAR and that Lucky Stars and Mr. Ebrahimi failed to act with honesty and integrity in the course of

business by deleting an advertisement for the Vehicle contrary to section 33(2)(a) of the MDAR.

## **IX. Consumer Remedy Sought**

91. Mr. Mehrpouya seeks rescission of his agreement to purchase the Vehicle and reimbursement of his expenses related to repairs and not having access to the Vehicle. The approach for the adjudication of a claim for a consumer remedy in the context of the BPCPA was set out by Registrar Christman in *Pham et al. v. Super Sale Auto et al.* (19-07-002) January 3, 2020 as follows:

[32] Any consumer remedy for a misrepresentation under the BPCPA, must still meet the common law elements of such a claim:

- (a) a representation that is untrue or misleading – a misrepresentation,
- (b) the consumer reasonably relied on the misrepresentation,
- (c) the consumer experienced damages due to the misrepresentation, and
- (d) there is some evidence of the amount of damages (legally called quantum of damages) that the consumer suffered due to the misrepresentation.

[33] The BPCPA modifies the first of these common law elements ((a) misrepresentation) in aid of consumer protection in the following ways:

- (a) once there is some evidence that a misrepresentation occurred, the onus shifts to the dealer to show the misrepresentation did not happen, was in fact true or was not misleading: section 5(2) of the BPCPA, and
- (b) deems certain conduct to be misrepresentations: section 4(3) of the BPCPA.

[34] The consumer still has the burden to show that it reasonably relied on the misrepresentation; that the damages it seeks is due to the misrepresentation; and provide some evidence of the amount (quantum) of those damages.

- *Bunyak v. Daryl's Best Buys Auto Sales Ltd.* (October 5, 2015, File 14-12-002, Registrar)
- *Crowston v. Platinum Auto Corporation* (April 26, 2012, File 12-002, Registrar)
- *Casillan v. 565204 B.C. Ltd. dba Daewoo Richmond*, 2009 BCSC 1335 (BC Supreme Court)
- *Vavra v. Victoria Ford Alliance Ltd.*, 2003 BCSC 1297 (BC Supreme Court)

[35] If the misrepresentation was not reasonably relied on by the consumer when they made their decision, they would generally not be entitled to damages. The BPCPA remedies consumer harm due to actions of the supplier (Super Sale in this case) and not remedy errors of judgement by consumers: *Crowston v. Platinum Auto Corporation*. This was noted by Justice Tysoe of the BC Supreme Court:

[88] In *Miller v. Lavoie* (1966), 1966 CanLII 426 (BC SC), 60 D.L.R. (2d) 495 (B.C.S.C.), Wilson C.J.S.C. made the following observation about predecessor legislation dealing with unconscionable transactions:

This Court exists for many purposes and one of these purposes is the protection of unsophisticated and defenceless persons against the exactions of conscienceless persons who seek to take advantage of them. The legislation provides one method of exercising that benevolent authority. But the Courts are not empowered to relieve a man of the burden of a contract he has made under no pressure and with his eyes open, merely because his contract is an act of folly. (p. 501)

• *Bain v. The Empire Life Insurance Company*, 2004 BCSC 1577 (BC Supreme Court)

[36] The Registrar is not empowered to grant remedies for what are known as *Sale of Goods Act* claims. For instance, a claim that a vehicle was not reasonably fit and durable at the time of sale, is a claim under section 18 of the *Sale of Goods Act*. Unless it can be shown the dealer misrepresented the vehicle's condition, the Registrar cannot grant any remedy for such claims.

[37] Finally, obtaining the cancelation of a contract for a misrepresentation is rare. To be able to repudiate (cancel) a contract requires showing the aggrieved person did not receive substantially the thing they bargained for. There may be public policy reasons to allow canceling a contract under the BPCPA, but these too are rare. Generally, the measure of damages for a breach of the BPCPA is contractual; the cost to put the person into the position they would have been had the representation been true.

• *Tercon Contractors Ltd. v. British Columbia (Transportation and Highways)*, 2010 SCC 4 (Supreme Court of Canada).

- *Mikulas v. Milo European Cars Specialists Ltd. (1995)*, 1995 CanLII 2431 (BCCA), 60 C.P.R. (3d) 457 (BC Court of Appeal) at para. 9
- *Casillan v. 565204 B.C. Ltd. dba Daewoo Richmond*, 2009 BCSC 1335 (BC Supreme Court) at paragraph 34.
- *Harris & Harris v. Windmill Auto Sales & Detailing Ltd. et al* (April 10, 2013, File 12-030, Registrar) affirmed by *Windmill Auto Sales & Detailing Ltd. v. Registrar of Motor Dealers*, 2014 BCSC 903 (BC Supreme Court).
- *Knapp v. Crown Auto Body and Auto Sales Ltd. et al.* (Registrar, File 08-70578, September 21, 2009) and affirmed by *Crown Auto Body and Auto Sales Ltd. v. Motor Vehicle Sales Authority of British Columbia*, 2014 BCSC 894 (BC Supreme Court)

92. As to his claim for rescission, I do not find there to be sufficient evidence that Mr. Mehrpouya did not obtain from Lucky Stars substantially what he bargained for. Prior to his purchase of the Vehicle, he had an opportunity to test drive it and have it inspected by a mechanic. Purchase Agreement #1 clearly indicates that the Vehicle was not suitable for transportation and sold for parts only. Mr. Mehrpouya's initials are affixed directly below this and on other sections of the agreement.
93. As to the balance of Mr. Mehrpouya's claims for recovery of repair related expenses and out of pocket expenses incurred while the Vehicle was unavailable to him, while I have found that Lucky Stars engaged in a deceptive act contrary to section 5(1) of the BPCPA, that deceptive act was in respect of the creation of Purchase Agreement #2 which was used to obtain warranty coverage for Mr. Mehrpouya. In other words, the misrepresentation was made to, and relied upon by Global Warranty, not Mr. Mehrpouya.
94. As the misrepresentation was made to Global Warranty, the common law elements of the claim for a consumer remedy under the BPCPA cannot be met. Mr. Mehrpouya did not rely on the misrepresentation and he did not experience damages as a result. As noted previously, the mechanical condition of the Vehicle was disclosed on the face of Purchase Agreement #1 which is the agreement that reflects the consumer transaction. Purchase Agreement #2 was created after ownership had passed to Mr. Mehrpouya and for the sole purpose of obtaining warranty coverage under false pretenses. Mr. Mehrpouya did not suffer damages as a result of the misrepresentation made by Lucky Stars to Global Warranty.

95. Given these circumstances, I dismiss Mr. Mehrpouya's claim for rescission of the contract under the BPCPA. As I find no causal link between the misrepresentation by Lucky Stars to Global Warranty and Mr. Mehrpouya's claim for damages, I am unable to award a remedy and I dismiss that claim.

#### **X. Compliance Action**

96. Section 8.1(4)(b) of the MDA provides that a breach of the BPCPA is grounds to suspend or cancel a motor dealer's registration. The BPCPA and MDA further provide for the imposition of administrative penalties for a breach of the BPCPA, the MDA or their respective regulations. Where appropriate, the Registrar may also place conditions on a motor dealer's license to ensure future compliance.

97. Similarly, where an employee, officer, director or agent of a motor dealer that breaches the MDA or BPCPA is found to have authorized, permitted or acquiesced in those breaches, they too are deemed to have breached the legislation: see sections 26.04(5) and 35(5) of the MDA and sections 164(5) and 189(8) of the BPCPA.

##### **a. Lucky Stars – License cancellation or suspension**

98. The findings against Lucky Stars are serious in nature. The creation of the second purchase agreement was a deceptive act. There is also a significant consumer safety aspect to this matter as the Vehicle was neither advertised nor marked as not suitable for transportation and Mr. Mehrpouya was permitted by Lucky Stars to drive the Vehicle on multiple occasions despite it not complying with the MVA.

99. While the termination of Mr. Mirmotahari after learning of his creation of Purchase Agreement #2 is a mitigating factor in Lucky Stars favour, I find that Mr. Ghamary's lack of insight as to the proven contraventions and failure to acknowledge the financial impact on Global Warranty to be an aggravating factor.

100. Section 5 of the MDA authorizes the Registrar to suspend or cancel a motor dealer's registration if it is of the opinion that it is not in the public interest for the motor dealer to continue to be registered. While I do not consider that the facts in this case rise to the level of cancellation, I am of the view that the circumstances warrant a suspension of Lucky Stars' registration.

101. In *Webster, supra*, the Registrar found that the motor dealer committed two distinct deceptive acts with respect to a consumer's financial background to a lender. Further, it was found that the motor dealer committed an unconscionable act or practice in relation to the subject consumer transaction. In addition to ordering an administrative penalty and placing conditions on the motor dealer's registration, the Registrar ordered that the motor dealer's registration be suspended for a period of 30 days. In doing so, the Registrar cited prior undertakings and progressively increased administrative penalties as failing to deter the motor dealer's conduct.
102. In *Pham, supra*, the Registrar found that the motor dealer committed a deceptive act or practice by selling a vehicle and representing on the purchase agreement that it was not suitable for transportation and further by breaching an Undertaking by contravening the BPCPA and failing to cooperate with the Authority's investigation by not providing records. The motor dealer's registration was suspended for four months.
103. In applying the caselaw, I acknowledge that none are exactly on point. All have similarities and differences. My task is to find an appropriate period of suspension that best fits the circumstances in this case, giving consideration to similar or largely similar previous cases.
104. In *Webster*, the motor dealer was suspended for one month after a finding that it committed two deceptive acts and one unconscionable act. In *Pham*, the motor dealer was suspended for four months after a finding that it committed one deceptive act, breached an Undertaking and failed to cooperate with the Authority's investigation. After considering the circumstances here, I am of the view that this case falls at the high end of the range and I find that an appropriate period of suspension of Lucky Stars' registration is four months. I am mindful of the impact that the suspension will have on the business operations of Lucky Stars, including its employees, and as such I further order that the suspension will not take effect until December 15, 2025.

**b. Lucky Stars – Administrative penalty**

105. In addition to the suspension of Lucky Stars' registration, I will consider whether an administrative penalty is appropriate. As I have found that Lucky Stars has breached both the BPCPA and the MDAR, an administrative penalty may be issued pursuant to section 164(1)(a) of the BPCPA and section 26.04(1)(a) of the MDA. Further, sections

164(5) of the BPCPA and 26.04(5) of the MDA provide that where a corporation contravenes a prescribed provision of either Act or their regulations, an officer, director or agent of the corporation who authorized, permitted or acquiesced in the contravention is also liable under these sections regardless of whether an administrative penalty is imposed on the corporation.

106. The maximum administrative penalty which can be imposed under the MDA on a corporation is \$100,000 while the maximum under the BPCPA is \$50,000: sections 26.05(1) MDA and section 165(2) BPCPA. The maximum administrative penalty which can be imposed under the MDA on an individual is \$100,000 if they own and operate a motor dealer or \$50,000 if they do not own and operate a motor dealer while the maximum under the BPCPA is \$5,000: sections 26.05 MDA and 165(1) BPCPA.

107. The purpose of administrative penalties is to deter future misconduct. In assessing whether to impose an administrative penalty and if so, the amount, I am required to consider the legislative factors in the MDA and BPCPA while also considering common law principles including proportionality, the need for specific and general deterrence and that the penalty is not punitive in nature while not simply being the cost of doing business: *Re: Affordable Auto Sales and Services Inc.* 2019-BCRMD-030 at paragraph 25.

108. Sections 164(2) of the BPCPA and section 26.04(2) of the MDA set out the factors that must be considered prior to an administrative penalty being issued. I will address each individually.

*i. Previous enforcement actions for contraventions of a similar nature by the person*

109. The Authority alleges two previous enforcement actions against Lucky Stars. First, a Warning Notice dated January 19, 2019 indicates that Lucky Stars misrepresented the condition of a vehicle contrary to section 5 of the BPCPA, failed to display the total price of a vehicle and whether it complied with the MVA contrary to section 13(2) of the MDA, and displayed and sold an unsafe vehicle contrary to section 222 of the MVA.

110. I find that the circumstances set out in the Warning Letter, while dated almost seven years ago, are similar in nature to the present case as it involved a deceptive act with respect to vehicle condition, failure to display vehicle information and the sale of an unsafe vehicle.

111. The Authority further refers to an Undertaking from March 15, 2013 in which Lucky Stars admits to breaches of sections 4 and 5 of the BPCPA in relation to the sale of an unsafe vehicle, specifically, a failure to disclose the true nature of repairs to prior damage that the vehicle had sustained prior to its sale. The Undertaking further indicates that Lucky Stars admitted to a separate breach of sections 4 and 5 of the BPCPA in relation to the sale of the same vehicle. Lucky Stars agreed to an Administrative Penalty of \$3,000.

112. Mr. Ghamary argues that this is misleading as the Authority has indicated through the Jordan Affidavit that Lucky Stars' registration commenced on June 24, 2013, three months after the date of the Undertaking. He also says that he was not aware of this Undertaking and that the subject matter was different as it did not involve a vehicle that was designated as "Not Suitable for Transportation." I note however that the Undertaking bears Lucky Stars' registration number and is signed by Mr. Ghamary. While not identical in subject matter, the legislation does not require that previous enforcement be identical but rather similar in nature. I find that the circumstances in the Undertaking are similar in nature to the present case as it involved a deceptive act with respect to vehicle condition.

ii. *The gravity and magnitude of the contravention*

113. As indicated previously, I find that the breaches by Lucky Stars are serious in nature. They involve the creation of a false purchase agreement which was meant to deceive a warranty provider. They also involve permitting a consumer to operate a vehicle on a public road despite which Lucky Stars admitting that it was not suitable for transportation and not compliant with the MVA.

iii. *The extent of the harm to others*

114. Mr. Ghamary submits that there was no economic harm to Mr. Mehrpouya but this ignores the fact that Global Warranty issued and, according to Mr. Ghamary, made a payment on the Warranty as a result of Lucky Stars' deceptive act. Permitting Mr. Mehrpouya to operate the Vehicle when it was not suitable for transportation and not compliant with the MVA, Lucky Stars exposed not only Mr. Mehrpouya to the risk of harm, but it did so to other motorists.

iv. *Whether the contravention was repeated or continuous*

115. The contraventions in this case arose out of a single consumer transaction and over the course of two days.

v. *Whether the contravention was deliberate*

116. Mr. Ghamary says that the contravention was not deliberate as the actions taken were in “good faith” and not to mislead or act fraudulently. I disagree. The creation of Purchase Agreement #2 was deliberate. Similarly, while Mr. Ghamary cites policy as prohibiting it, I find that allowing the Vehicle to be driven while unsuitable was deliberate in nature. There is no evidence that Mr. Mehrpouya accessed the Vehicle on his own. He was allowed by Lucky Stars to test drive the Vehicle and drive it to a mechanic.

vi. *Any economic benefit derived from the contravention*

117. When faced with a request by Mr. Mehrpouya that it cancel his purchase of the Vehicle and refund his money, Lucky Stars refused and instead created Purchase Agreement #2 as an alternative resolution. This avoided having to refund the purchase price which was, inclusive of taxes, \$10,052.00. Mr. Ghamary notes in his submissions that the warranty purchase included a \$500 dealer commission.

vii. *Other factors for consideration*

118. In deciding whether to issue an administrative penalty, I remind myself that doing so is not a penalty for past conduct. Rather, it is intended to deter future misconduct while meeting the goals of specific and general deterrence. I am also mindful that the amount of an administrative penalty should not be such that it would cause unreasonable economic hardship to a motor dealer and effectively cause it to no longer be able to carry on business. As noted in *Webster* at paragraph 155:

[155] The amount of the penalty should not be too high as to be a punishment for past conduct, but also not too low to be the mere cost of doing business.

119. In considering the appropriate administrative penalty, I have reviewed three recent Undertakings submitted by motor dealers and accepted by the Registrar which provide guidance. In doing so, I note that Undertakings do not follow formal compliance hearings but rather are proposals from motor dealers to the Registrar intended to resolve complaints without the necessity of a hearing. For that reason, the administrative penalties included in the various Undertakings may be less than otherwise assessed following a full, contested hearing.
120. In *Re: AutoCanada Maple Ridge Auto GP Inc.* (June 26, 2025), the Registrar accepted an Undertaking from the motor dealer that included an administrative penalty of \$30,000. The contraventions were restricted to the MDAR and included sections 22 and 33(2)(i)(iii), similar to the present case. There were distinguishing factors in that case as the motor dealer was found to have employed an unlicensed salesperson while also failing to respond to the Registrar in the course of the investigation.
121. In *Re: Arrow Volkswagen* (May 8, 2025) the Registrar accepted an Undertaking from the motor dealer that included an administrative penalty in the amount of \$30,000. In that case the motor dealer was found to have sold a vehicle that was unsuitable for transportation and not in compliance with the MVA contrary to section 33(2)(i)(iii) of the MDAR. The motor dealer also failed to complete the required statutory declarations in the purchase agreement as required by section 23 of the MDAR. The motor dealer was also found to have committed a deceptive act or practice contrary to section 5(1) of the BPCPA.
122. In *Re: CoCo Auto Group* (October 1, 2024) the Registrar accepted an Undertaking from the motor dealer that included an administrative penalty in the amount of \$35,000. In that case, the motor dealer was found to have breached section 33(2)(i)(iii) of the MDAR while also failing to make required disclosures on the purchase agreement.
123. I also consider the facts in *Re: Messiah Motor Cars Inc.* (August 14, 2025). Following a written hearing, I issued a \$40,000 administrative penalty to the motor dealer after finding that it had committed two deceptive acts, that it had failed to indicate in a purchase agreement and on a vehicle that it was unsuitable for transportation and that it aided, or abetted a person to contravene section 219 of the MVA.

124. Given all of the circumstances, I am of the view that the facts in this case fall between those in *Arrow Volkswagen* and *Messiah Motor Cars Inc.* On that basis, I find that an appropriate Administrative Penalty to be issued to Lucky Stars in this matter is \$35,000.

**c. Amir Ghamary – License suspension or cancellation**

125. Under section 7 of the *Salesperson Licensing Regulation*, the Authority may revoke or suspend a salesperson license if the authority considers, having regard to the conduct of the licensee, that it would not be in the public interest for the licensee to continue to be licensed.

126. In this case, Mr. Ghamary was at all material times the owner and dealer principal of Lucky Stars and ultimately he was responsible for how it conducted itself as a motor dealer.

127. While it appears that Mr. Ghamary took steps to terminate Mr. Mirmotahari's employment at some time after he learned of the creation of Purchase Agreement #2, I find the lack of organizational oversight exercised by Mr. Ghamary to be troubling. One day prior to Purchase Agreement #2 being created, Mr. Ghamary had signed off on Purchase Agreement #1. That he would not have reviewed and questioned a second purchase agreement that included the same consumer and same vehicle demonstrates a concerning gap in operational oversight.

128. I am further concerned with Mr. Ghamary's lack of insight into the proven contraventions. Mr. Ghamary has been resolute in his position that there has been no consumer harm with respect to the creation of Purchase Agreement #2. Indeed, Mr. Ghamary maintains that doing so was "a significant help to Mr. Mehrpouya" and done "entirely to help him in good faith." These comments demonstrate a lack of understanding of the serious nature of the creation of a false purchase document and the economic impact that it had on the warranty provider.

129. Given the circumstances, I find that Mr. Ghamary's salesperson license should be suspended for a period of 30 days, to take effect on receipt of this decision.

**d. Amir Ghamary – Administrative penalty**

130. I again consider sections 164(2) of the BPCPA and section 26.04(2) of the MDA which set out the factors that must be considered prior to an administrative penalty being issued.

*i. Previous enforcement actions for contraventions of a similar nature by the person*

131. In the March 15, 2013 Undertaking Mr. Ghamary admits on his own behalf and on behalf of Lucky Stars to two distinct breaches of sections 4 and 5 of the BPCPA in relation to the sale of an unsafe vehicle. Mr. Ghamary agreed to pay an administrative penalty of \$1,000. While I acknowledge Mr. Ghamary's arguments that the circumstances in the Undertaking are distinguishable from those in this case, I find that while somewhat dated, the contraventions set out in the Undertaking, a deceptive act with respect to vehicle condition, are of a similar nature to those in the present case.

*ii. The gravity and magnitude of the contravention*

132. As indicated previously, I find that the statutory breaches are serious in nature.

*iii. The extent of the harm to others*

133. By being permitted to drive the Vehicle on a highway when it was not compliant with the MVA, both Mr. Mehrpouya and other drivers were put at risk. The creation of the fake purchase agreement further resulted in financial loss by Global Warranty.

*iv. Whether the contravention was repeated or continuous*

134. The contraventions in this case arose out of a single consumer transaction and over the course of two days.

*v. Whether the contravention was deliberate*

135. The assessment of this factor in my consideration of the administrative penalty for Lucky Stars similarly applies here.

vi. *Any economic benefit derived from the contravention*

136. As owner and dealer principal of Lucky Stars, Mr. Ghamary indirectly benefited from the contraventions as Lucky Stars was not faced with the prospect of reversing the consumer transaction and refunding Mr. Mehrpouya's money. It also obtained a \$500 dealer commission on the sale of the Warranty to Mr. Mehrpouya.

vii. *Other factors for consideration*

137. I remind myself again that the issuance of an administrative penalty is not a penalty for past conduct but rather it is intended to deter future misconduct while meeting the goals of specific and general deterrence. I am also mindful that the amount of an administrative penalty should not be such that it would cause unreasonable economic hardship.

138. Having considered the statutory and common law factors, I am of the view that it is appropriate to issue an administrative penalty against Amir Ghamary in the amount of \$1,250. In issuing this administrative penalty, I am mindful of the conditions which are to be imposed on Mr. Ghamary's salesperson license and the associated costs which will be discussed in further detail below.

**e. Amir Ghamary – conditions on license**

139. Section 6 of the *Salesperson Licensing Regulation* permits the Authority to impose one or more of the conditions listed in subsections (1) and (2) on a licensee's salesperson license. Section 6(2)(f) is a general provision that allows for the imposition of "any other condition necessary for the authority to ensure that it is not contrary to the public interest for the licensee to be licensed as a salesperson."

140. I have commented in this decision on my concerns relating to Mr. Ghamary's oversight of Lucky Stars operations and his insight into the harm that flowed from the proven contraventions. Simply put, Mr. Ghamary's lack of acknowledgement of the safety

risks associated with Mr. Mehrpouya's operation of the Vehicle and his failure to acknowledge the impact of the creation of Purchase Agreement #2 on Global Warranty justifies conditions being imposed on his license as follows:

(a) Amir Ghamary must retake and successfully complete the VSABC Salesperson Licensing Course at his own expense before February 15, 2026; and

(b) Amir Ghamary must successfully complete the VSABC Continuing Education Unit 6 (Business Ethics and Code of Conduct) course at his own expense before February 15, 2026.

**f. Aria Ebrahimi**

141. As I have found that Mr. Ebrahimi has not contravened the MDA, MDAR or BPCPA I order no enforcement action against him.

**XI. Compliance Order – BPCPA section 155 and MDA section 26.02**

142. As I have found that Lucky Stars and Mr. Ghamary have contravened provisions of the BPCPA and MDAR, I may issue a compliance order under sections 155 of the BPCPA and 26.02 of the MDA to address non-compliance.

143. The following are the terms of my Compliance Order which include the conditions to be imposed on Mr. Ghamary's salesperson license:

(a) Super Choice Auto Ltd. dba Lucky Stars Auto and Amir Ghamary are to abide by the *Business Practices and Consumer Protection Act*, S.B.C. 2004, s.2 and its regulations;

(b) Super Choice Auto Ltd. dba Lucky Stars Auto and Amir Ghamary are to abide by the *Motor Dealer Act*, R.S.B.C. 1996, 2.316 and its regulations;

(c) Amir Ghamary must retake and successfully complete the VSABC Salesperson Licensing Course at his own expense before February 15, 2026; and

(d) Amir Ghamary must successfully complete the VSABC Continuing Education Unit 6 (Business Ethics and Code of Conduct) course at his own expense before February 15, 2026.

144. Section 26.02(4)(d) of the MDA and section 155(4)(d) of the BPCPA authorize the Registrar to order reimbursement of the Authority's actual costs, including actual legal costs incurred for the inspection or investigation of a licensee. I am of the view that it is appropriate to make this order generally. Lucky Stars and Mr. Ghamary are jointly and severally liable to pay the costs of the Authority: section 155(6) BPCPA and section 26.02(6) MDA.
145. As to the amount of costs, I have found that the Authority has proven five of the eight contraventions alleged in the Hearing Notice. While it is not required that costs be awarded on a pro rata basis relative to the allegations proven, I am similarly of the view that partial success should not necessarily attract a full costs award. Given the outcome here, I am of the view that the Authority should recover 75% of its costs. I will adjourn the issue of the quantum of costs to the parties. If they are unable to reach an agreement they may arrange for my review of the costs within 30 days of the Compliance Order being served.

## **XII. Summary of Decision on Penalty**

146. In summary, given the aforementioned findings with respect to liability, the following compliance action is ordered:
- (a) Lucky Stars' motor dealer registration is suspended for a period of four months effective December 15, 2025
  - (b) Amir Ghamary's salesperson license is suspended for a period of 30 days effective upon receipt of this decision;
  - (c) Lucky Stars shall pay an administrative penalty in the amount of \$35,000;
  - (d) Amir Ghamary shall pay an administrative penalty in the amount of \$1,250;
  - (e) A Compliance Order is issued pursuant to section 26.02 of the MDA and section 155 of the BPCPA which provides that Lucky Stars and Mr. Ghamary shall comply with the MDA, the BPCPA and the regulations made thereunder; and

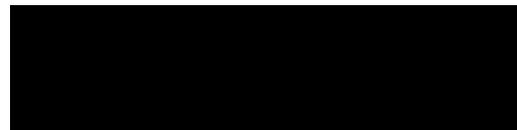
- (f) A Compliance Order shall be issued that orders Lucky Stars to reimburse 75% of the Authority's actual costs, including legal costs, with the quantum to be agreed upon by the parties or assessed.

### **XIII. Right of Review of Decision**

147. This decision may be reconsidered pursuant to sections 26.11 and 26.12 of the MDA and sections 181 and 182 of the BPCPA. A Request for Reconsideration must be submitted in writing within 30 days of receiving the compliance order and notice of administrative penalty. The request may be filed electronically to [hearings@vsabc.ca](mailto:hearings@vsabc.ca) or by mail to the Authority.
148. This decision may also be reviewed by petition to the BC Supreme Court pursuant to the *Judicial Review Procedure Act* within 60 days of receiving this decision: section 7.1 of the MDA and section 57 of *the Administrative Tribunals Act*.

Signed this 7 day of November, 2025

"Original signed"



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Patrick Poyner  
Registrar of Motor Dealers