



Investigation File No.: C-24-10-502
Hearing File No.: H-26-01-004

**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 MOTOR VEHICLE SALES AUTHORITY OF BRITISH COLUMBIA

THE AUTHORITY

AND:

CANWEST AUTO INC.

RESPONDENT/MOTOR DEALER

DECISION OF THE REGISTRAR OF MOTOR DEALERS

Date and location of decision: March 16, 2026 at Langley, British Columbia

By way of written submissions

Appearances for:

The Authority:

Claudia Arrieta – Legal Counsel

Canwest Auto Inc:

Marshall Taj – Dealer Principal

I. Introduction

1. This proceeding arises out of a Consumer Complaint received by the Authority from Tram Anh Vu on October 30, 2024 (“the Complaint”).
2. The Respondent Canwest Auto Inc. (“Canwest”) is a motor dealer licensed with the Authority under license number D50362 and continuously licensed since August 3, 2023. Marshall Taj is Canwest’s dealer principal and he is licensed as a salesperson with the Authority. Mr. Taj is not a named Respondent in this matter.
3. The hearing of this matter proceeded by way of written submissions. Counsel for the Authority and Mr. Taj on behalf of Canwest have each provided written submissions supported by affidavit and other evidence. 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 in this matter are drawn from the parties’ written submissions and supporting evidence. The Authority relies on affidavits of Joel Jordan sworn December 18, 2025 and Alan Mullen sworn February 5, 2026. Mr. Jordan is an Investigation Officer employed by the Authority and Mr. Mullen is the Authority’s Director of Investigations and Licensing. Canwest’s submissions include various documents and statements which will be identified in more detail later in this decision.
5. I pause to address the unsworn evidence referenced above. Section 7.1 of the *Motor Dealer Act* (“MDA”) adopts section 11 of the *Administrative Tribunals Act* (“ATA”) which authorizes tribunals to control their own processes and make rules concerning practice and procedure “to facilitate the just and timely resolution of the matters before it.” Such rules include but are not limited to the receipt and disclosure of evidence which is reflected by Rule 34(3) of the *Registrar’s Rules of Practice and Procedure* (“the Rules”) which provide that “The Registrar is not bound by the rules of evidence that apply in a court of law. The Registrar may in their discretion decide whether to admit evidence, its relevance and the amount of weight to be given to it.”

6. The relaxation of evidentiary rules and procedure referenced above recognizes that parties to administrative tribunal proceedings are not always, as is the case here, represented by legal counsel and as such, strict adherence to formal rules can at times impact the fairness of the matter. While unsworn evidence may require a more rigorous examination to ensure its reliability, it is not automatically inadmissible. If it is found to be logically probative and reliable, the question then becomes one of how much weight to attach to it.

a) The Authority

7. A copy of the Complaint is appended as an exhibit to Mr. Jordan's affidavit. In it, Ms. Vu indicates that she purchased a 2003 Acura MDX ("the Vehicle") from Canwest on August 2, 2024. The purchase price was \$6,500.00 and consisted of a \$2,500.00 deposit and an additional cash payment of \$4,000.00. Ms. Vu stated that the total purchase price included a \$600.00 documentation fee and a three-month warranty.
8. A few weeks after her purchase, the Vehicle began exhibiting various mechanical and engine problems and Ms. Vu returned to Canwest where she was advised that the warranty would only cover \$1,000.00 of the required repairs which included an engine replacement which would cost \$5,000.00. Ms. Vu was advised by Canwest that if she had purchased more expensive one year warranty the repairs would have been covered but she says that this was not made clear to her at the time of purchase.
9. Ms. Vu requested a refund of the Vehicle's purchase price but this was resisted by Canwest which instead offered to exchange the Vehicle for another but it advised her that doing so would require Ms. Vu to pay a \$2,000.00 restocking fee and a \$1,500.00 service fee.
10. In the course of the Authority's investigation of the Complaint, Ms. Vu provided the Authority with a picture of the original August 2, 2024 Purchase Agreement ("PA #1") as well as a copy of the purchase agreement ("PA #2").
11. PA #1 is appended to Mr. Jordan's affidavit and includes Canwest's business address at 2323 A Old Dollarton Road in North Vancouver. It indicates that the Vehicle's selling price was \$2,232.14 and, after adding PST and GST, the "Total Payments" are \$2,500.00 with zero balance due. PA #1 includes reference to a "Global – Bronze – 3 months" warranty

and it also has handwritten on it “Restocking fee of \$2000 will apply for any vehicle refund.” PA #1 is signed by TJ Taj, a salesperson with Canwest.

12. Mr. Jordan further appends PA #2 to his affidavit which consists of two pages and appears to be a reproduction of PA #1. The first page of PA #2 (“PA #2-1”) is an incomplete copy of PA #1 and is cut off after the “Purchaser’s Acceptance” section and as such, this page does not include either of the parties’ signatures or any payments beyond the same selling price and taxes as noted above. PA #2-1 differs from PA #1 in that the business address for Canwest appears to have been changed to an address in Burnaby, BC which has been handwritten under the name of the motor dealer, the word “Void” has been handwritten across the “Description of Trade In” section and a signature that appears to be that of Ms. Vu also has been added to that section despite there being no trade-in included in the purchase.
13. The second page of PA #2 (“PA #2-2”) appears to be an incomplete copy of PA #1 and starts at the “Description of Trade In” section. This page differs from PA #2-1 in that Ms. Vu’s signature previously noted in the “Description of Trade In” section is not present and a new signature which appears to be that of Ms. Vu has been added at the bottom of the dealer declaration section.
14. A third version of the Purchase Agreement (“PA #3”) was provided by Canwest to the Authority and includes the Burnaby business address but it has neither of the two signatures noted in PA #2-1 and PA #2-2, and it has included in the price breakdown section the following handwritten entry: “4000 – cash”.
15. By way of an email to the Authority dated April 3, 2025 which included PA #3, Mr. Taj confirmed that the sale to Ms. Vu was cancelled as well as the following information:
 - a. The correct amount of taxes on the cash received from Ms. Vu was incorrect;
 - b. The actual selling price of the vehicle including taxes was \$6,500.00;
 - c. The total amount received from Ms. Vu was \$6,500.00; and
 - d. The tax shown on the purchase agreement was incorrect as it did not include the tax on the cash received.

16. In a subsequent email from Mr. Taj to Mr. Jordan dated April 7, 2025 he clarified that the actual selling price of the Vehicle was \$5,803.58. He stated further that the advertised price of the Vehicle was "\$5,900.00 plus \$600.00 documentation fee which was discounted by \$696.42 as that was the customer's out the door budget." Mr. Taj goes on to say that the Documentation Fee was waived and that a further discount of \$96.42 was applied to meet Ms. Vu's budget.
17. In a further email from Mr. Taj dated April 11, 2025 he advised Mr. Jordan that due to the tax not being calculated against the \$5,803.58 selling price, the total sales tax was in fact \$696.42 for a total amount received of \$6,500.00.

b) Canwest

18. Mr. Taj says that Canwest relocated from North Vancouver to Burnaby in July 2024. As a result of "customer volume and operational adjustments", PA #1 included Canwest's prior address in North Vancouver as well as other errors including the deposit, the tax calculation and cash received. Mr. Taj attributed these errors to "premature preparation of paperwork by a new administrative assistant." I note that the administrative assistant in question is not named and that PA #1 was signed by TJ Taj.
19. Mr. Taj says that approximately one month after her purchase, Ms. Vu returned to Canwest demanding a refund of the Vehicle's purchase price. At that time, it became aware of the errors in PA #1 and corrections were made by changing Canwest's address and adding the \$4,000.00 cash payment. The total sale price and associated taxes were not corrected due to what Mr. Taj describes as Ms. Vu's "hostility" and he also says that PA #1 was to be voided. Mr. Taj denies any suggestion that the changes made were without Ms. Vu's knowledge and consent. Mr. Taj says that Ms. Vu refused to acknowledge the changes due to her dissatisfaction with the restocking fee charged by Canwest. Mr. Taj maintains that Ms. Vu witnessed the changes that were made to PA #1.
20. Mr. Taj says that Canwest provided a refund to Ms. Vu in the amount of \$6,000.00 which included payments of \$4,500.00 on October 8, 2024 and \$1,500.00 on March 8, 2025.

c) Respondent documents

21. Included with Canwest's submissions are a number of documents as follows:

- a. Standard Form (Commercial) Lease between Canwest and Fervent Properties Ltd. for the lease of 2475 Douglas Road, Burnaby, BC, commencing July 1, 2024;
- b. Three copies of PA #1 which Mr. Taj asserts were amended in Ms. Vu's presence;
- c. A "Timeline of Payments and Refunds" which indicates that the \$2,500.00 deposit and balance of \$4,000.00 were received from Ms. Vu on August 2 and 5, 2024 respectively, and that the refund of \$4,500.00 was issued to Ms. Vu on October 8, 2024 and a further \$1,500.00 was paid to Ms. Vu on March 8, 2025;
- d. Transcriptions of two text message exchanges between Ms. Vu and Mr. Taj; and
- e. A Vehicle Arbitration Settlement Agreement dated March 8, 2025 between Ms. Vu and Canwest which indicates a payment of \$1,500.00 from Canwest to Ms. Vu as "full and final compensation for all claims, damages, and losses related to the dispute as described above."

III. Positions of the Parties

22. The Authority alleges in the Hearing Notice that Canwest has committed the following contraventions:

- a. Section 21(1)(a) of the MDAR by failing to include its address in the purchase agreement;
- b. Section 21(1)(h) of the MDAR by failing to include the actual selling price of the Vehicle in the purchase agreement;
- c. Section 21(1)(i.1) of the MDAR for failing to include the correct tax payable in the purchase agreement as required by the *Provincial Sales Tax Act*;
- d. Section 21(1)(j) of the MDAR for failing to include the correct down payment or deposit in the purchase agreement;
- e. Section 21(1)(l) of the MDAR for failing to itemize in the purchase agreement any other charges that Ms. Vu was responsible for including the warranty and documentation fee;

- f. Section 33(2)(a) of the MDAR for failing to act with honesty and integrity in the course of business by amending PA #1 without Ms. Vu's consent; and
- g. Section 5(1) of the BPCPA by engaging in a deceptive act or practice in respect of a consumer transaction by making representations using exaggeration, innuendo or ambiguity about a material fact or that fails to state a material fact if the effect is misleading.

23. An additional allegation of a contravention of section 33(2)(i)(iii) of the MDAR was withdrawn by the Authority.

IV. Remedy Sought

24. The Authority seeks the following:

- a. Cancellation of Canwest's registration or alternatively, a suspension of its registration with a duration of between four and six months;
- b. An administrative penalty of \$50,000.00 pursuant to section 26.04 of the MDA;
- c. An administrative penalty pursuant to section 164 of the BPCPA; and
- d. An order that Canwest reimburse the Authority its actual costs, including legal costs, incurred in relation to this matter pursuant to section 26.02(4) of the MDA.

V. Analysis

25. This matter is primarily concerned with the contents of and revisions to PA #1. I will first address the content of PA #1 as five of the seven alleged contraventions are concerned with whether Canwest met its obligations under section 21(1) of the *Motor Dealer Act Regulation* ("MDAR"). I will then turn to the remaining allegations in the Hearing Notice.

a. *Motor Dealer Act Regulation* section 21(1)(a)

26. Section 21 of the MDAR has two distinct aspects to it. Subsection 2 describes the particulars that must be included in a sales or purchase agreement for a motor dealer's sale of a used vehicle. In addition to the specifically listed particulars, this subsection also

requires a motor dealer to include the particulars that would otherwise be required for the sale of a new motor vehicle as set out in subsection 1.

27. The Authority alleges that the Respondents contravened section 21(1)(a) of the MDAR by including its incorrect business address in PA #1. Canwest acknowledges the error, attributing it to administrative oversight. Canwest moved from its North Vancouver location to its Burnaby location effective July 1, 2024, one month prior to the sale of the Vehicle to Ms. Vu. PA #1 clearly indicates that Canwest's business address is in North Vancouver.

28. By including its incorrect business address, I find that Canwest, as vendor, did not include its address in PA #1 and as such, it contravened section 21(1)(a) of the MDAR.

b. Motor Dealer Act Regulation section 21(1)(h)

29. The Authority alleges that Canwest contravened section 21(1)(h) of the MDAR by failing to include the actual selling price of the Vehicle in PA #1. The Authority says that the Vehicle's actual purchase price was \$6,500.00 inclusive of tax. This accords with Ms. Vu's statement in the Complaint. Canwest says in its response that the actual sale price was \$5,803.58 plus PST of \$696.42 for a total of \$6,500.00. PA #1 indicates that the selling price of the Vehicle was \$2,232.14 plus applicable PST and GST for a total sale price of \$2,500.00.

30. I find that Canwest failed to include the actual selling price of the Vehicle in PA #1 and as such, it contravened section 21(1)(h) of the MDAR.

c. Motor Dealer Act Regulation section 21(1)(i.1)

31. Section 21(1)(i.1) of the MDAR requires a motor dealer to include the tax payable under the *Provincial Sales Tax Act* in a purchase agreement. As noted above, I have found that the purchase price for the Vehicle was incorrectly stated in PA #1. The stated purchase price was \$2,232.14 and the applicable PST was \$156.25. The actual purchase price of the Vehicle was \$6,500.00 which would attract PST of \$406.25 assuming that there were no other charges captured within the purchase price.

32. As the incorrect PST was included in PA #1, I find that Canwest failed to include the tax payable under the *Provincial Sales Tax Act* in the purchase agreement and as such it contravened section 21(1)(i.1) of the MDAR.

d. *Motor Dealer Act Regulation section 21(1)(j)*

33. Section 21(1)(j) of the MDAR requires a motor dealer to include the down payment or deposit in any purchase agreement. In PA #1, there is no amount provided for either the down payment or deposit. Instead, the “Total Payments” are \$2,500.00. In her complaint, Ms. Vu says that she provided a \$2,500.00 deposit which Canwest confirms. Rather than include that amount as a deposit or down payment, it was included as the selling price of the Vehicle after deducting the applicable PST and GST.

34. As PA #1 failed to include the \$2,500.00 deposit provided by Ms. Vu in relation to her purchase of the Vehicle, I find that Canwest contravened section 21(1)(j) of the MDAR.

e. *Motor Dealer Act Regulation section 21(1)(l)*

35. Section 21(1)(l) of the MDAR requires a motor dealer to include an itemized list of the cost of any other charges for which the purchaser is responsible in the purchase agreement if they are to be added to the contract price. This may include insurance, licensee fees, dealer fees or warranty costs. This provision ensures that purchasers are fully aware of any added fees that they are responsible for above and beyond the price of the vehicle.

36. The Authority says that Canwest failed to specifically itemize two additional fees in the purchase agreement – the dealer documentation fee and the cost of the extended warranty coverage. In the Complaint, Ms. Vu says that the total amount she was to pay for the Vehicle “included a \$600 documentation fee and a three-month warranty”. PA #1 describes the warranty but Canwest says in its submissions that the warranty was included in the purchase price and that the documentation fee was waived to ensure that Ms. Vu’s purchase met her budget.

37. The language of this provision clearly provides that if there are “charges for which the purchaser is responsible” they must be listed in the purchase agreement. Canwest says

that there were no additional charges beyond the Vehicle's sale price, that the warranty was provided "as a goodwill gesture" and that the documentation fee was waived.

38. In an email from Mr. Taj to Mr. Jordan dated April 7, 2025, a copy of which is included in Mr. Jordan's affidavit, Mr. Taj states that the advertised price of the Vehicle was "\$5,900 plus \$600.00 documentation fee which was discounted by \$696.42 as that was the customers out the door budget." Based on Mr. Taj's advice, the documentation fee appears to have been waived as was an additional \$96.42 to meet what he understood was Ms. Vu's budget of \$6,500.00. On that basis, and given that there is no evidence that Canwest took a documentation fee out of the sale price, I am not satisfied that it was obliged to include it in PA #1.
39. The warranty is a different matter, however. Ms. Vu's statement is clear that the cost of the warranty was included in the purchase price. The warranty is identified in PA #1. While Canwest says in its submissions that the warranty was provided at no cost and as a "goodwill gesture", Mr. Taj's responses to the Authority when questioned about the overall purchase price confirmed the waiver of the documentation fee but not the warranty. By including the cost of the warranty in the purchase price, that cost was a charge for which Ms. Vu was responsible and added to the contract price and as such it should have been listed in PA #1. On that basis, I find that Canwest breached section 21(1)(l) of the MDAR.

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

40. Section 33(2)(a) of the MDAR falls under the "Code of Conduct" provisions in this legislation. It obligates motor dealers to act with honesty and integrity in the course of business. The Authority says that Canwest amended PA #1 without Ms. Vu's consent and as such failed in its obligation to act with honesty and integrity. Canwest says that it amended PA #1 in Ms. Vu's presence and that she was fully aware of the changes that were made.
41. Ms. Vu says in the Complaint that she purchased the Vehicle by way of two separate payments – a \$2,500.00 deposit and an additional \$4,000.00 in cash. Canwest says that the \$2,500.00 was paid on August 2, 2024 and the \$4,000.00 balance was paid on August 5, 2024 at which time the Vehicle was released to Ms. Vu. Approximately one month following her purchase she returned to Canwest to request a refund. At that time, Canwest

recognized that PA #1 had not been properly completed and it took steps to resolve the issue in part by adding the \$4,000.00 cash payment but leaving the \$2,500.00 deposit in the incorrect space. It also failed to properly adjust the tax on the purchase. In short, Canwest made additional mistakes while trying to fix the earlier mistakes.

42. Canwest says that it amended PA #1 in Ms. Vu's presence and with her knowledge. There is no evidence to contradict that. The Authority says that because the amendments were incorrect, it was not possible for Ms. Vu to consent to them. I do not find this argument to be persuasive however. By adding the \$4,000.00 cash payment to PA #1, Canwest sought to amend it in a manner that was consistent with the actual purchase price and Ms. Vu's expectations of such. While the two payments were in the wrong place in the purchase agreement and despite the tax being incorrect, this did not change Ms. Vu's obligation to Canwest.
43. While I find that the amendment of PA #1 was in some respects careless, I do not find it to have been lacking in honesty or integrity. Given the uncontradicted evidence that Canwest amended PA #1 in Ms. Vu's presence and given that the amendments were consistent with the actual purchase price of the Vehicle, I do not find that Canwest's conduct was objectively dishonest or lacking in integrity and I dismiss this allegation.

g. *Business Practices and Consumer Protection Act section 5(1)*

44. Section 5(1) of the *Business Practices and Consumer Protection Act* ("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.
45. 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.

46. A deceptive act or practice may occur before, during or after a consumer transaction: section 4(2) BPCPA.

47. In the Notice of Hearing, the Authority says that Canwest made representations using exaggeration, innuendo or ambiguity about a material fact or that fails to state a material fact, if the effect is misleading. This refers to section 4(3)(b)(vi) of the BPCPA which says that a representation by a supplier that uses exaggeration, innuendo or ambiguity about a material fact or that fails to state a material fact, if the effect is misleading, constitutes a deceptive act or practice.

48. The Authority says that the following are material facts for the purposes of the BPCPA and that Canwest failed to state them:

- a. Canwest's business address;
- b. The actual selling price of the Vehicle;
- c. The tax payable under the *Provincial Sales Tax Act*;
- d. The down payment or deposit, and the terms and conditions governing the refund of the deposit; and
- e. An itemized list of the cost of any other charges for which the purchaser is responsible, specifically in this case, the cost of the warranty and the documentation fee.

49. In *Kumar v. Lenux Auto Sales and Services Ltd* ((March 26, 2021) File 20-12-015, Registrar of Motor Dealers), the Registrar commented on the material nature of the required particulars described in sections 21 and 22 of the MDAR as follows:

[26] The disclosures required by sections 21 and 23 of the MDA-Reg are legally required and considered to be material facts for a consumer to know. Several court cases have

stated a motor dealer must make duly diligent inquiries in order to make these statutory declarations. See a summary of those cases in *Crown Auto Body and Auto Sales Ltd. v. Motor Vehicle Sales Authority of British Columbia*, 2014 BCSC 894 (BC Supreme Court) at paragraphs 37 to 52.

50. Given my previous findings as to the deficient nature of PA #1, I find that there is some evidence that a deceptive act or practice was committed by or engaged in by Canwest. The burden of proof therefore shifts to Canwest to demonstrate that the deceptive act or practice was not committed or engaged in.
51. Canwest failed to include in PA #1 its business address, the actual price of the Vehicle, the correct tax payable under the *Provincial Sales Tax Act*, the down payment or deposit and an itemized list of other charges that Ms. Vu was responsible for, specifically, the cost of the warranty. In that respect, Canwest failed to state a material fact. However, that does not end the analysis. A failure to state a material fact will only constitute a deceptive act or practice if the effect of the failure is misleading. Given the language of this provision, the analysis must be as to whether the effect of the failure was subjectively misleading to Ms. Vu.
52. Canwest says that the errors in PA #1 were effectively administrative errors and that it sought to correct them when Ms. Vu returned with the Vehicle after the purchase. Canwest also says that Ms. Vu was present at the time the corrections were made and that she was aware of them. In the Complaint, Ms. Vu makes no mention of any of the material facts noted above save and except for the warranty and documentation fee. However, there is no evidence to suggest that the failure to include the material facts in PA #1 misled Ms. Vu.
53. The Authority points to the Complaint in which Ms. Vu says that Canwest's "warranty policies and the communication around them were misleading" but that is not what is alleged in the Hearing Notice. The Authority has alleged that Canwest's obligation to itemize the cost of the warranty as a charge Ms. Vu was responsible for was a material fact and its failure to list that cost in PA #1 misled Ms. Vu in some way. Being misled as to Canwest's warranty policies and being misled due to the cost of the warranty not being specifically listed in a purchase agreement are two different things however. There is no

evidence to suggest that Canwest's failure to list the cost of the warranty in PA #1 misled Ms. Vu.

54. While I agree that Canwest failed state a material fact by failing to include those factors set out above in PA #1 or alternatively by including the factors but incorrectly, I am not satisfied that the effect of the failure was that Ms. Vu was misled and as such, I find that Canwest has satisfied the burden of proof that it did not engage in or commit a deceptive act or practice and I dismiss this allegation.

VI. Summary of Findings

55. I find that the Authority has proven on a balance of probabilities the following contraventions by Canwest:

- a. Section 21(1)(a) of the MDAR by failing to include its address in the purchase agreement;
- b. Section 21(1)(h) of the MDAR by failing to include the actual selling price of the Vehicle in the purchase agreement;
- c. Section 21(1)(i.1) of the MDAR for failing to include the correct tax payable in the purchase agreement as required by the Provincial Sales Tax Act;
- d. Section 21(1)(j) of the MDAR for failing to include the correct down payment or deposit in the purchase agreement; and
- e. Section 21(1)(l) of the MDAR for failing to include in the purchase agreement an itemized list of the cost of any other charges for which the purchaser is responsible if they are to be added to the contract price.

VII. Compliance Action

56. Based on my findings above, I am not satisfied that cancellation or suspension of Canwest's registration is a proportionate penalty. The Authority does not seek enforcement against Mr. Taj or any other member of Canwest's licensed staff. Alternatively, the Authority seeks an administrative penalty with respect to Canwest pursuant to both the MDA and the BPCPA. As I have not found that Canwest contravened the BPCPA, I will consider whether an administrative penalty is appropriate under the MDA only. The Authority also seeks an order that Canwest reimburse its costs.

57. The Respondents argue that a nominal or no administrative penalty is appropriate in the circumstances.

a. Administrative penalty

58. As I have found that Canwest has breached the MDAR, an administrative penalty may be issued pursuant to section 26.04(1)(a) of the MDA. Further, section 26.04(5) of the MDA provides 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. As noted previously, while Mr. Taj is the dealer principal of Canwest he is not named as a Respondent here.

59. The maximum administrative penalty which can be imposed under the MDA on a corporation is \$100,000: section 26.05(1) MDA. 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: section 26.05 MDA.

60. 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 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.

61. Section 26.04(2) of the MDA sets 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

62. The Authority alleges that in November 2024 a verbal warning was issued to Canwest for failure to disclose a vehicle's actual selling price. The Authority further alleges that Canwest advised at the time that the error was caused by an assistant. Canwest does not deny that the verbal warning occurred, referring simply to its "limited disciplinary history." I therefore find that the verbal warning occurred as described by the Authority.

ii. The gravity and magnitude of the contraventions

63. While considered individually the contraventions appear to be administrative or technical in nature, collectively they demonstrate what can fairly be describe as a careless approach by Canwest to the preparation of the purchase agreement. A purchase agreement is a legal contract that binds a motor dealer and a purchaser over a consumer transaction. Vehicle purchases are often of great importance to purchasers and the legislature has seen fit to include language in the MDAR that requires motor dealers to properly particularize purchase agreements to ensure that purchasers are adequately informed and protected in the course of the transaction. That Canwest failed in most aspects of its completion of PA #1 and in its attempts to amend that agreement reflects the serious nature of the contraventions as a whole.

iii. The extent of the harm to others

64. While the Authority says that Ms. Vu experienced emotional distress, she is clear that this arises out of the mechanical issues related to the Vehicle. Ms. Vu appears to have been largely unaware of the contraventions and I do not find that she experienced harm as a result.

iv. Whether the contraventions were repeated or continuous

65. I agree with the Authority that the contraventions were not repeated or continuous.

v. Whether the contraventions were deliberate

66. I agree with the Authority that the contraventions here were not deliberate.

vi. Any economic benefit derived from the contraventions

67. The Vehicle's purchase price was \$6,500.00. Canwest provided evidence that it refunded Ms. Vu \$6,000.00 meaning it retained \$500.00 of the purchase price. Any economic benefit was minimal.

vii. The person's efforts to correct the contravention

68. Canwest voided the purchase and reimbursed Ms. Vu \$6,000.00.

viii. Other factors

69. Along with the written submissions prepared on behalf of Canwest, Mr. Taj has provided what he refers to as a "Personal Statement." Much of the statement refers to personal matters including health issues as well as the subject matter of the Complaint and the Authority's investigation. However, Mr. Taj also asks that I consider the impact that a financial penalty will have on his business and that any sanction be minimal in nature given the potential effect on him, his family, his employees and other business that rely on Canwest.

70. 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 *Re: Breezy Webster* (April 27, 2018) at paragraph 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."

71. As noted above, I do not consider the errors in PA #1 to be simply technical or administrative errors. Canwest failed to properly complete PA #1 and when it became aware of the original errors, it was still unable to include the required and correct information. That Canwest was previously issued a verbal warning by the Authority for a similar failure under section 21(1) of the MDAR is a factor that I must consider in determining an appropriate penalty to ensure that going forward, Canwest will carry on business in a compliant manner.

72. In considering the appropriate administrative penalty, while I can look to previous Registrar's decisions for guidance, the decisions provided by the Authority involve contraventions that I have found not to have been proven in this case and as such they

offer limited assistance. I have similarly reviewed other published Registrar's decisions and undertakings and while some include contraventions similar to those here, almost all include one or more proven allegations under the BPCPA or MDAR Code of Conduct.

73. When considering published undertakings, I remind myself that they are proposals by licensees to resolve investigations commenced by the Authority and accepted by the Registrar. The evidence has not been tested at hearing and the penalties may be discounted because of the matters being resolved without the necessity of a hearing.

74. One such undertaking that I have considered is *Re: Volkswagen of Richmond* (June 13, 2023, VSA File No. H-23-06-002). In that case, the motor dealer added additional services to a purchase agreement and identified them using abbreviations. These were considered to be material facts as they were included in section 21(1)(l) of the MDAR and the undertaking further states that by failing to properly disclose the additional charges, the motor dealer committed or engaged in a deceptive act or practice. An administrative penalty of \$20,000.00 was accepted by the Registrar.

75. The facts in *Volkswagen of Richmond* are only partially instructive here. In that case, only one of the required particulars in section 21(1)(l) of the MDAR was in issue but there was a finding that a deceptive act occurred. Here, five contraventions of section 21(1) have been proven but there is no deceptive act or dishonest conduct. Again, I am mindful of the various other factors here which include Canwest reimbursing Ms. Vu almost the entire purchase price, the impact that an administrative penalty will have on Canwest's business, the previous verbal warning for a similar contravention and the fact that the amendment to PA #1 was done in Ms. Vu's presence.

76. Considering all of the circumstances, I find that an appropriate Administrative Penalty to be issued to Canwest is \$7,500.00.

XI. Compliance Order – MDA section 26.02

77. As I have found that Canwest contravened the MDAR, I may issue a Compliance Order under section 26.02 of the MDA to address non-compliance. Section 26.02(4)(d) provides that a Compliance Order may include an order that a person reimburse to the registrar all or part of the actual costs, including actual legal costs, incurred by the registrar for any inspection or investigation of the person.

78. The Authority seeks an order that Canwest pay 100% of its costs. Mr. Mullen deposes in his affidavit that the Authority's costs, which are calculated by its Finance department, total \$3,286.99. The portion attributed to Investigation Costs is \$1,030.72 and the portion attributed to Legal Fees is \$2,256.27.

79. Canwest takes no position concerning the Authority's request for costs. I am mindful however of the burden a further financial payment will have on it as I did in considering the issuance of the administrative penalty.

80. The decision in *Re: Wild Grizzly Transport Ltd.*, 2018-BCRMD-022 provides guidance in determining the quantum of costs as follows:

[12] The request for costs must be reasonable. The legislative authority to recover actual costs is not a blank cheque to incur any costs. The requested costs should reflect the work necessary to prove the allegations in the case and bring it forward. Considerations would include but are not limited to:

(a) The complexity of the case and the need for outside expert assistance such as a forensic accountant.

(b) The depth of the case. Was the investigation over a one-time breach or multiple breaches of the legislation. Did the investigation involve one or multiple consumers/complainants? Did the investigation require reviewing several months or years of transaction/documentary records?

(c) The number of witnesses interviewed or who testified.

(d) The amount of documentary evidence necessary to bring the case forward.

(e) The need to create explanatory material to make sense of and to present the evidence; such as charges, diagrams, and accounting spreadsheets.

(f) The need for the Registrar to issue interim orders to compel the disclosure of evidence

81. Applying these factors, I find that this matter was at the low end of the scale of complexity and I also consider that the hearing was by way of written submissions. The Authority relied on the evidence of one witness and Mr. Taj provided submissions for Canwest. The

volume of documentary evidence was appropriate given the allegations and there were no interim orders.

82. I note that the Authority alleged seven contraventions of the MDAR with five being proven and one withdrawn. The allegation of the contravention of the BPCPA was not proven. As I have noted in previous decisions, I do not consider it appropriate to adopt a rigid pro rata approach to a review of costs that is tied to the number of allegations proven but I do take the view that a costs award must take into some consideration the outcome following the hearing.

83. Given all of these factors, I order Canwest to reimburse the Authority's costs in the amount of \$2,500.00.

XII. Summary of Decision on Penalty

84. In summary, the following compliance action is ordered:

- (a) An administrative penalty in the amount of \$7,500.00 is issued to Canwest Auto Inc.
- (b) A Compliance Order is issued pursuant to section 26.02 of the MDA which provides that:
 - i. Canwest Auto Inc. shall comply with the MDA and the regulations made thereunder; and
 - ii. Canwest Auto Inc. shall reimburse the registrar's actual costs, including actual legal costs, in the amount of \$2,500.00.

XIII. Right of Review of Decision

85. This decision may be reconsidered pursuant to sections 26.11 and 26.12 of the MDA. 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 or by mail to the Authority.

86. 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 16 day of March, 2026

"Original signed"



Patrick Poyner
Registrar of Motor Dealers