



Investigation File No.: C-23-05-044
Hearing File No.: H-24-01-003

UNDERTAKING

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

BETWEEN:

Sukhi Bath Motors
(DL# 41773)

(the "Respondent")

AND:

The Registrar of Motor Dealers

WHEREAS:

1. The Respondent is a Motor Dealer as defined in the *Motor Dealer Act* ("the **MDA**"), incorporated in accordance with the laws of British Columbia operating under the name, Sukhi Bath Motors, and registered with the Vehicle Sales Authority of BC ("**VSA**") under Motor Dealer Licence No. 41773.
2. The Registrar of Motor Dealers is the Registrar as defined in the MDA, ("the **Registrar**"), and is responsible for the administration and enforcement of the MDA, its regulations, and the prescribed provisions of the *Business Practices and Consumer Protection Act* ("the **BPCPA**").
3. The Respondent is the subject of an investigation launched by the VSA in response to a complaint made by a consumer, Gulshan Kumar ("**Kumar**"). The complaint and investigation findings are outlined in VSA File No. C-23-05-044 and the investigation report of VSA investigations officer, Jared Collier ("**IO Collier**") dated October 4, 2023.

AND WHEREAS:

4. On May 5, 2022, Kumar purchased a 2018 Hyundai Sonata ("the **Sonata**") from the Respondent for a price agreed upon by the parties and was a distance sale.
5. The Purchase Agreement dated May 5, 2022, prepared by the Respondent and provided to Kumar, indicates the Sonata had not sustained damage requiring repairs costing more than \$2,000.00.
6. The ICBC Transfer/Tax form completed with Sukhi Bath as seller and Kumar as purchaser also indicated that there was not cumulative damage over \$2,000.00.
7. On March 18, 2023, Kumar sold the Sonata to another motor dealer. At that time, Kumar was advised that the Sonata had sustained damage requiring repairs costing more than \$2,000.00.

8. A Carfax Vehicle History Report dated May 17, 2023 indicates that between October 29, 2021 and November 21, 2021, the Sonata had undergone three separate damage repairs costing a total of \$16,226.53.
9. Subsequently, as part of the investigation, the Respondent provided its copy of the May 5, 2022 Purchase Agreement to IO Collier. The agreement was identical to that provided by Kumar but the declaration as to whether the Sonata had sustained damage requiring repairs costing more than \$2,000.00 had changed. In the copy provided by the Respondent, the "No" box which had previously been checked, had been crossed out in ink and the "Yes" box had been checked.
10. As per the General Manager, it would appear that the respondent's finance manager changed the Purchase Agreement after the sale to Kumar to indicate that the Sonata had in fact sustained damage costing more than \$2000.
11. The Registrar asserts that Respondent has contravened the following legislation:
 - a. Section 5(1) of the BPCPA by engaging in a deceptive act or practice in respect of a consumer transaction by failing to state a material fact, the effect of which was misleading, by failing to advise Kumar that the Sonata had previously sustained damage requiring repairs costing more than \$2,000.00;
 - b. Section 23(b) of the *Motor Dealer Act Regulation* ("MDAR") for failing to disclose, to the best of the motor dealer's knowledge and belief, in a sales agreement respecting the motor dealer's offering to sell or selling a motor vehicle, whether the motor vehicle has, in the case of a used motor vehicle, sustained damages requiring repairs costing more than \$2000.00.
 - c. Section 33(2)(a) of the MDAR, for failure to act with honesty and integrity in the course of business by altering the Purchase Agreement without the knowledge and consent of the purchaser subsequent to the sale of the Sonata.

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

1. To comply with the MDA, MDAR, BPCPA, and the sections thereunder;
2. To pay an Administrative Penalty in the amount of **\$15,000** in relation to the subject matter of this Undertaking as per the Notice of Administrative Penalty which will be provided to the Respondent upon receipt of the fully executed and filed Undertaking;
3. To reimburse the Registrar a total of **\$428.41** representing 100% of the investigation costs incurred to date in relation to the subject matter of this Undertaking within thirty (30) days of the Registrar signing this Undertaking;
4. That this Undertaking is binding on the Respondent until such time as it is either terminated in writing by the Registrar or terminated by Order of the Supreme Court of British Columbia;
5. That in addition to rendering the Respondent liable to further penalties and proceedings as provided for under the BPCPA, it is an offense under the BPCPA to fail to comply with any part of this Undertaking that has not been previously terminated;

