



Investigation File No.: C-23-06-030
Hearing File No.: [H-24-04-002](#)

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:

Woodgrove Chrysler Dodge Jeep Ram
(DL# 8485)

(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, Woodgrove Chrysler Dodge Jeep Ram, and registered with the Vehicle Sales Authority of BC ("**VSA**") under Motor Dealer Licence No. 8485.
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, Christina Roost ("**Roost**"). The complaint and investigation findings are outlined in VSA File No. C-23-06-030 and the investigation report of VSA investigations officer, Jared Collier ("**IO Collier**") dated November 21, 2023.

AND WHEREAS:

4. On November 2, 2022, Roost purchased a 2022 Dodge Ram (the "**Ram**") from the Respondent for a price agreed upon by the parties and was a distance sale. The purchase price for the Ram inclusive of taxes was [REDACTED] [Withheld in accordance with section 22\(3\)\(f\) of FOIPPA](#)
5. On November 2, 2022, a loan application was prepared by the respondent on behalf of Roost and submitted to the Royal Bank of Canada ("**RBC**") to obtain financing for the Ram. The application declared that Roost had monthly housing costs of [REDACTED] and that Roost had a gross annual income of [REDACTED] Roost's income tax returns from 2021 and 2022 show that she [REDACTED] [Withheld in accordance with section 22\(3\)\(f\) of FOIPPA](#)
6. On November 2, 2022, a conditional sales contract was prepared by the respondent and submitted to RBC indicating that in addition to her purchase of the Ram, Roost also purchased "optional accident and health insurance" for \$15,000.00 and "optional life insurance" for

\$15,000.00. It also indicated that Roost had provided the Respondent with a \$30,000.00 cash down payment.

7. On November 2, 2022, the Respondent provided Roost with a copy of the purchase agreement ("Agreement #1") which did not include the optional life insurance, optional accident and health insurance or the \$30,000.00 down payment that was documented in the conditional sales contract.
8. On June 8, 2023, the Respondent provided their response to the complaint and included a purchase agreement that did not include the optional life insurance, optional accident and health insurance or the \$30,000 down payment.
9. On October 25, 2023, the Respondent provided the Authority with a second version of the purchase agreement ("Agreement #2"). This version of the purchase agreement included the optional life insurance and optional accident and health insurance as well as the \$30,000.00 down payment but it also included different versions of Roost's signatures and initials compared against those in Agreement #1. Roost further advised that she did not sign or initial Agreement #2.
10. On questioning by IO Collier, the Respondent admitted that Roost did not provide a \$30,000.00 down payment to be applied against her purchase of the Ram and that she did not purchase the two insurance products but that these were included in the conditional sales contract by the Respondent without her knowledge to provide her with more "wiggle room" on the loan if needed.
11. On October 30, 2023, the Respondent provided the Authority with the contract for the insurance products (the "Insurance Contract") that were referenced in the conditional sales contract. The Insurance Contract indicated that the amount financed for Roost's purchase of the Ram was \$93,398.63 and that her monthly payment was \$1,416.60. In addition to this, the two insurance products totaled \$30,000.00 with a monthly payment of \$1,416.60.
12. The Authority reviewed the Insurance Contract and determined that it had been altered and the Respondent admitted that the alteration had occurred at its dealership. The actual amounts of the financing and monthly payments for the Ram had been covered by a white text box and increased amounts had been included. A similar alteration had been made to the amounts of the two insurance products and the monthly payments for those.
13. When the new figures and the white boxes were removed, the original Insurance Contract figures were as follows: amount financed [REDACTED] monthly payment [REDACTED] life insurance [REDACTED] and accident and health insurance [REDACTED]; monthly payment for insurance [REDACTED]. It was also noted that the initials on the unaltered Insurance Contract did not match those of Roost. [Withheld in accordance with section 22\(3\)\(f\) of FOIPPA](#)
14. On October 31, 2023, Roost advised that the Insurance Contract provider indicated that the Respondent created the Insurance Contract certificate on November 2, 2022 at 17:25 and then proceeded to void it on November 2, 2022 at 17:30, five minutes after it was created.
15. On December 11, 2023], the Respondent agreed to unwind Roost's purchase of the Ram and to reimburse her for all monies spent in connection with the purchase.
16. The Registrar asserts that Respondent has contravened the following legislation:

- a. Section 5(1) of the *Business Practices and Consumer Protection Act* ("BPCPA") by engaging in a deceptive act or practice in respect of a consumer transaction that has the capability, tendency or effect of deceiving or misleading a consumer or guarantor as follows:
 - i. By misrepresenting on the loan application and the conditional sales contract the amount of the consumer's income, that a down payment had been paid towards the purchase of the Ram and that insurance products were purchased to ensure that the consumer would obtain financing from RBC for her purchase;
 - ii. By completing multiple versions of the purchase agreement to include the down payment that the consumer did not provide and the insurance products which she did not purchase; and
 - iii. By altering the Insurance Contract to increase the amount financed, the amounts of the insurance products and the monthly payments to be paid by the consumer.
- b. Section 9(1) of the BPCPA for committing or engaging in an unconscionable act or practice in respect of a consumer transaction as follows:
 - i. By falsifying the consumer's financial information and including it in a financing application without her knowledge or consent;
 - ii. By securing financing based on fictitious financial information such that at the time the consumer transaction was entered into, there was no reasonable probability of full payment of the total price by the consumer;
- c. Section 33(2)(a) of the *Motor Dealer Act Regulation* ("MDAR"), for failure to act with honesty and integrity in the course of business by:
 - i. Providing the VSA with multiple altered documents with forged signatures and initials which had the ability to mislead a VSA investigation;
 - ii. Creating a loan application and conditional purchase agreement that included exaggerated and false information which was meant to mislead the RBC; and
 - iii. Creating multiple versions of the purchase agreement that differed from one another with respect to whether a down payment was included and whether insurance products were purchased.
- d. Section 33(2)(e) of the MDAR by making false and misleading representations with respect to any amount charged in respect of a consumer transaction, specifically, by covering the original amounts in the Insurance Contract and replacing those with higher amounts.

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 **\$75,000.00** in relation to the subject matter of this Undertaking as per the Notice of Administrative Penalty which will be provided to the Respondent upon receipt of the fully executed and filed Undertaking;
3. To reimburse the Registrar a total of **\$4488.08** representing 100% of the investigation costs incurred to date in relation to the subject matter of this Undertaking within thirty (30) days of the Registrar signing this Undertaking;
4. That this Undertaking is binding on the Respondent until such time as it is either terminated in writing by the Registrar or terminated by Order of the Supreme Court of British Columbia;
5. That in addition to rendering the Respondent liable to further penalties and proceedings as provided for under the BPCPA, it is an offense under the BPCPA to fail to comply with any part of this Undertaking that has not been previously terminated;
6. That the Registrar may, upon breach of any part of this Undertaking by the Respondent, declare the Undertaking to be at an end and may institute such proceedings and take such action under the BPCPA, or the Act as considered necessary; and
7. That any communication with the Registrar in connection with this Undertaking shall be made to the following address:

Registrar of Motor Dealers
Vehicle Sales Authority of B.C.
#280 – 8029 199th Street
Langley, BC V2Y 0E2

And in the case of the Respondent Motor Dealer, to the following address:

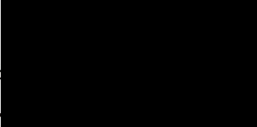
Woodgrove Chrysler Dodge Jeep Ram
6800 Island Hwy,
Nanaimo, BC V9V 1A3

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

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

WOODGROVE CHRYSLER DODGE JEEP RAM
(MOTOR DEALER# 8485)

Per:



Signature

John Kot

Name of Authorized Signatory

Withheld in accordance
with section 22 of
FOIPPA

) **ACCEPTED** by the Registrar of Motor Dealers this
) 24th day of April 2024.

) "Original Signed"

) 

) Kenneth Affleck, K.C.
) Registrar of Motor Dealer

