

Investigation File No.: C-22-09-152 Hearing File No.: H-23-05-002

## 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:

Journey Chrysler Dodge Jeep Ram (DL# D50153)

(the "Respondent")

## AND:

The Registrar of Motor Dealers

## WHEREAS:

- The Respondent, Journey Chrysler Dodge Jeep Ram ("Journey"), 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, Journey Chrysler Dodge Jeep Ram, and registered with the Vehicle Sales Authority of BC ("VSA") under Motor Dealer Licence No. D50153.
- 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**").
- Journey is the subject of an investigation launched by the VSA in response to a complaint made by the consumer, Norma Thompson ("Ms. Thompson"). The complaint and investigation findings are outlined in VSA File No. C-22-09-152 and the investigation report of VSA investigations officer, Tim Gallo ("IO Gallo") dated March 14, 2023.

# AND WHEREAS:

- 4. On May 27, 2022, Journey sold a 2020 Hyundai Elantra ("the Elantra") to Ms. Thompson with approved financing through TD Canada Trust ("the Transaction"), the transaction of which was agreed upon over the phone. Ms. Thompson agreed to purchase the Elantra for her niece, who was unable to obtain financing.
- Later that day, Journey sent lot attendant, Owen Crawford ("Mr. Crawford"), who at the time, possessed a cancelled Salesperson License #SP300795, to deliver the Elantra to Ms. Thompson's residence with the Elantra's paperwork. Mr. Crawford has since reinstated his Salesperson Licence.

- Neither Mr. Crawford nor any representative of Journey, provided Ms. Thompson with any purchase documents prior to delivering the Elantra so she could review and sign them prior to receiving the Elantra.
- A Consumer Complaint Form was filed by Ms. Thompson and assigned to the VSA investigations team on October 18, 2022, stating that Ms. Thompson was unaware of the details and nature of the transaction and wanted the deal canceled.
- 8. On or around October 21, 2022, the Elantra was repossessed by Bailiff, Lisa Morgenstern, on behalf of TD Auto Finance.
- 9. As part of the investigation, the VSA obtained the following documents pertaining to the Elantra:
  - a. ICBC registration documents including ICBC Owner's Certificate of Insurance and Vehicle Licence dated May 26, 2022;
  - b. the APV9T dated May 26, 2022, transferring the Elantra from the Motor Dealer to the Consumer; and
  - c. the Carfax history reports of the Elantra.
- 10. The Elantra's documents obtained by the VSA show the following:
  - a. That it was used previously as a -rental vehicle;
  - b. That it had previously sustained damage in excess of \$2,000.00; and
  - c. That Journey failed to declare on the APV9T form that the Elantra was previously used as a rental vehicle and that it previously sustained damages in excess of \$2,000.00.
- 11. The Registrar asserts that the Respondent has contravened the following legislation:
  - 1. The BPCPA:
    - a. Section 5 by engaging in a deceptive act or practice, namely, failing to state a material fact, the effect of which was misleading, by failing to advise Ms. Thompson that the Elantra was previously used as a rental vehicle and that it had previously sustained damage in excess of \$2,000.00;
    - Section 46(1) and (2) by failing to disclose to the consumer the required information in a clear and comprehensible manner before the consumer entered into a distance sales contract;
    - c. Section 48(1) by failing to give a consumer who enters into a distance sales contract a copy of the contract within 15 days after the contract is entered into;
  - 2. The MDA, s 13.1 by employing or engaging Owen Crawford who was, at all material times, an unlicensed salesperson; and
  - 3. The *Motor Dealer Act Regulation*, BC Reg 447/78, s 23 (b)(ii) and (c) by failing to ensure that the purchase agreement disclosed that the Elantra had–sustained damages requiring repairs costing more than \$2,000.00 and that it was used as a rental vehicle in the past.

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

- 1. To comply with the MDA, MDAR, BPCPA, and the sections thereunder;
- To pay an Administrative Penalty in the amount of \$12,500.00 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 \$1,213.68 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 MDAas 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 199<sup>th</sup> Street Langley, BC V2Y 0E2

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

Journey Chrysler Dodge Jeep Ram 1300 Dominion Ave, Port Coquitlam, BC V3B 8G7

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

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

JOURNEY CHRYSLER DODGE JEEP RAM (MOTOR DEALER# D50153)	) ACCEPTED by the Registrar of Motor Dealers this ) 3rd day of May 2023
Per: Withheld in accordance with Section 22 of FOIPPA	)))  Original signed"
	) Kenneth Affleck, K.C. ) Registrar of Motor Dealers