



Investigation File No.: C-24-05-283

Hearing File No.: H-25-08-003

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# 30825)

(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 B.C. ("**VSA**") under Motor Dealer License No. 30825.
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, Victorio Aure ("the **Complainant**"). The consumer complaint and investigation findings are outlined in VSA File No. C-24-05-283 and the hearing investigation report of VSA investigator Joel Jordan dated April 4, 2025.

AND WHEREAS:

4. On January 12, 2022, the Complainant purchased a 2018 Honda CR-V ("the **Honda**") from the Respondent for a price agreed upon by the parties.
5. On February 25, 2024, the Complainant purchased the Honda a second time, this time for the purpose of cashback refinancing through the lending bank, the Canadian Imperial Bank of Commerce ("**CIBC**"). A cashback refinancing loan allows the consumer to replace the existing loan with a larger one and receive the difference in loan balance in cash.
6. A Purchase Agreement dated February 25, 2024, was prepared by the Respondent and provided to the Complainant. However, it was noted that the Purchase Agreement contained a \$3,599.00 documentation fee, whereas the Respondent's website indicated that their standard documentation fee was \$799.00.

7. The Respondent confirmed through its response to the consumer complaint that \$7,000.00 was structured in the deal by inflating the price of the Honda, which was also documented in a Cashback Disclosure Form.
8. When contacted, CIBC confirmed that it does not allow cashback or refinancing transactions, and the Respondent never disclosed the cashback deal to CIBC.
9. Lastly, the Respondent failed to itemize the actual selling price and list all the costs and fees, including the cashback, in the Purchase Agreement.
10. The Registrar asserts that the Respondent has contravened the following legislation:
 - a. Section 9(1) of the *Motor Dealer Act Regulation* ("**MDAR**") for committing or engaging in an unconscionable act or practice in response to a consumer transaction, by inflating the standard documentation fee and failing to disclose the cashback agreement to the lender bank.
 - b. Section 21(1) of the MDAR for failing to include the actual selling price of the motor vehicle and an itemized list of the cost of any other charges for which the purchase is responsible, including insurance and licence fees if they are to be added to the contract price.
 - c. Section 33(2)(a) of the MDAR for failing to act with honesty and integrity in the course of business as a licensee or registrant.

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 **\$70,000.00** 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 **\$1274.81** 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

