

Investigation File No.: C-23-04-159

Hearing File No.: H-23-12-002

**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:**Langley Mainland Motors Ltd.  
(DL# 41058)

(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, Langley Mainland Motors Ltd., and registered with the Vehicle Sales Authority of BC ("**VSA**") under Motor Dealer Licence No. 41058.
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, Angela Stobart ("**Ms. Stobart**"). The complaint and investigation findings are outlined in VSA File No. C-23-04-159 and the investigation report of VSA investigations officer, Jared Collier ("**IO Collier**") dated September 16, 2023.

**AND WHEREAS:**

4. On March 30, 2023, Ms. Stobart purchased a 2018 Hyundai Santa Fe ("the **Santa Fe**") from the Respondent for a price agreed upon by the parties. At all material times, Ms. Stobart lived in Kelowna, BC while the Respondent carried on business in Langley, BC.
5. All of the documents that were required for the subject transaction were signed by Ms. Stobart on March 30, 2022, in Kelowna B.C., at the time the Santa Fe was delivered to her. Ms. Stobart did not sign any of the transaction documents at the Respondent's business premises in Langley. The Santa Fe and the purchase documents were delivered to Ms. Stobart by an individual who was not licensed as a salesperson.
6. The Purchase Agreement dated March 30, 2023 and prepared by the Respondent incorrectly declared that the Santa Fe had not been used as a lease or rental vehicle.

7. While the Purchase agreement declared that the Santa Fe had sustained damages requiring repairs costing more than \$2,000.00, this was based on a Carfax Vehicle History Report dated December 22, 2022 that listed the Santa Fe's prior damage as \$1,969.00 on March 10, 2021, \$0 on November 19, 2021, and \$0 on September 16th, 2022.
8. On April 6, 2023, the Respondent contacted Ms. Stobart to advise that they had learned that the information they provided to her at the time of the sale concerning the prior damage to the Santa Fe was inaccurate. In fact, the Santa Fe had sustained prior damage totaling an additional \$12,675.74.
9. Subsequently, as part of the investigation, the Respondent provided a copy of the December 22, 2022 Carfax report that had been provided to Ms. Stobart and which showed prior damage totaling only \$1,969.00. The Respondent also provided a copy of a January 28, 2023 Carfax report for the Santa Fe which indicated that in addition to the originally disclosed \$1,969.00 in prior damage, there was further, undisclosed prior damage totaling \$12,675.74. IO Collier's investigation determined that the Respondent was aware of the additional damage prior to the sale of the Santa Fe to Ms. Stobart as they obtained the Carfax information on January 28<sup>th</sup>, 2023, and did not sell the Santa Fe to Ms. Stobart until March 30, 2023.
10. The Registrar asserts that the Respondent has contravened the following legislation:
  - a. Section 3(1)(c) of the MDA for carrying on business as a motor dealer elsewhere other than at or from the motor dealer's business premises;
  - b. Section 13.1 of the MDA for employing or engaging a salesperson who is not licensed as a salesperson under the Regulations;
  - c. Section 23(c) of the 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 been used as a lease or rental vehicle; and
  - d. Section 5(1) of the BPCPA by engaging in a deceptive act or practice in respect of a consumer transaction as follows:
    - i. By providing Ms. Stobart with an outdated Carfax report that did not accurately set out the true amount of prior damage that the Santa Fe had sustained;
    - ii. By failing to state a material fact, the effect of which was misleading, specifically, that the Santa Fe had significantly more prior damage than was disclosed at the time of its sale.

**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 **\$20,000.00** 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 \$218.32 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 199<sup>th</sup> Street  
 Langley, BC V2Y 0E2

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

Langley Mainland Motors Ltd.  
 5933 200 Street  
 Langley, BC V3A 1N2

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.

LANGLEY MAINLAND MOTORS LTD. (MOTOR DEALER# 41058)



Signature

Erich Perkins  
 Name of Authorized Signatory

) ACCEPTED by the Registrar of Motor Dealers this  
 ) 18<sup>th</sup> day of Dec, 2023.  
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Kenneth Affleck

Kenneth Affleck, K.C.  
 Registrar of Motor Dealer