



Alberta Motor Vehicle Industry Council
ALBERTA'S AUTOMOTIVE REGULATOR

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September 26, 2018

DIRECTOR'S ORDER UNDER SECTION 157 OF THE *CONSUMER PROTECTION ACT*

TO

EDINA WILKSINSON

OF

KLEAN MOTORS INC.

AND

ANY EMPLOYEE, REPRESENTATIVE, OR AGENT OF THE ABOVE

This Director's Order was issued under Section 157(1) of the *Consumer Protection Act* in response to, in the opinion of the Director, contraventions of the Act. As mandated by Section 157(3) a person or publisher who is subject to an order under this section may appeal under Section 179.

Pursuant to Section 179, to appeal the order, the person must serve the Minister of Service Alberta with a notice of appeal within **thirty (30) days** after receiving the order. Please include your name, your address for service, details of the order being appealed and your reasons for appealing.

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ISSUE

On or about April 30, 2018, the Alberta Motor Vehicle Industry Council ("AMVIC") received a registered letter from Intact Insurance dated March 1, 2018 notifying AMVIC of the cancellation of Klean Motors Inc. (the "Licensee") general surety bond (#917132103) effective June 4, 2018. As of June 4, 2018, the Licensee (wholesale business licence #B2016555) has been operating without a surety bond, irrevocable letter of credit or cash in the amount of \$50,000 as required. AMVIC has made contact with a representative of the Licensee via telephone calls and emails on numerous dates however, the Licensee has failed to provide the required security as requested by AMVIC. As per the *Consumer Protection Act*:

Consumer Protection Act – Section 130(1)

Security

130(1) When a security submitted by a licensee is no longer in force, the licence is suspended and remains suspended until the licensee submits to the Director a new security that meets the requirements of the regulations.

Automotive Business Regulation - Section 4(2)

Complying with laws

(2) The Director may require an applicant for a class of automotive business licence to furnish a security in a form and amount approved by the Director.

DIRECT COMMUNICATION WITH THE LICENSEE

On April 30, 2018, a phone call was made to Ms. Wilksinson informing her AMVIC had received a cancellation letter from Intact Insurance regarding her general surety bond. She informed AMVIC that she was leaving the country for six months and does not want to cancel her business licence but will renew the surety bond upon her return.

Further to the April 30, 2018 phone call, on August 24, 2018, an email was sent to the Licensee advising the status of their AMVIC business licence will be changed to *HOLD* as Ms. Wilksinson was still out of the country and AMVIC had not received the required security in the form of a surety bond, irrevocable letter of credit or cash. As per the *Consumer Protection Act*:

Consumer Protection Act – Section 104(1)

Licence required - designated businesses

104(1) No person may engage in a designated business unless the person holds a licence under this Act that authorizes the person to engage in that business.

On September 12, 2018, a licensing supervisor was able to contact Ms. Wilksinson regarding the cancellation of the Licensee's general surety bond. Ms. Wilksinson informed the supervisor that she was back in the country but would not be providing AMVIC the required security however, wanted to keep her AMVIC business licence. Ms. Wilksinson was informed the security is required if she wanted to keep her AMVIC business licence. Ms. Wilksinson agreed to email the supervisor her intention regarding her AMVIC business licence and providing the required security by September 13, 2018. To date the Licensee has not provided the required security in the form of a surety bond, irrevocable letter of credit or cash. Further, no correspondence has been received from the Licensee regarding her intention to provide the required security as requested by the licensing supervisor.

DIRECTOR'S ORDER

Klean Motors Inc., and Edina Wilksinson, must immediately:

1. Cease all activities related to operating a wholesale business until such time as AMVIC receives a surety bond, irrevocable letter of credit or cash as required as required by Section 4(2) of the Automotive Business Regulation.
2. Remove all vehicle related advertisements on Kijiji, Autotrader, Facebook and or any other forms of mass communication.
3. Review the AMVIC website at <https://www.amvic.org/industry-3/licensing/license-classes/> for licensing requirements.

The Provincial automotive business licence of Klean Motors Inc. is suspended pursuant to Section 130(1) *Consumer Protection Act* until AMVIC receives the appropriate security as required by Section 4(2) of the *Automotive Business Regulation*.

COMPLIANCE WITH ORDER

ANY PERSON WHO FAILS TO COMPLY WITH AN ORDER OF THE DIRECTOR UNDER SECTION 157 OF THE *CONSUMER PROTECTION ACT* CONTRAVENES THIS ACT AND IS GUILTY OF AN OFFENCE AND MAY BE PROSECUTED PURSUANT TO SECTION 163 OF THE *CONSUMER PROTECTION ACT*.

REFUSAL, SUSPENSION, CANCELLATION, TERMS

SECTION 127(b) (i) – *CONSUMER PROTECTION ACT* STATES:

THE DIRECTOR MAY REFUSE TO ISSUE OR RENEW A LICENCE, MAY CANCEL OR SUSPEND A LICENCE AND MAY IMPOSE TERMS AND CONDITIONS ON A LICENCE FOR THE FOLLOWING REASONS;

- (i) FAILS TO COMPLY WITH AN ORDER OF THE DIRECTOR UNDER SECTION 129 OR 157, UNLESS, IN THE CASE OF AN ORDER UNDER SECTION 127 OR 157, THE ORDER HAS BEEN STAYED.

"original signed by"

Gerald Gervais, Registrar
Director of Fair Trading (as delegated)
September 26, 2018