

October 11, 2018

Administrative Review – 18-05-017
Served Personally To S. Nayak

Administrative Penalty

AUTOLIFE GLOBAL CORP.
10230 176 STREET
EDMONTON, ALBERTA
T5S 1L2

Attention: Jean Paul Demeria

Dear Mr. Demeria

Re: Autolife Global Corp. – Provincial Automotive Business Licence No. B1038152

As the Director of Fair Trading (as delegated), I am writing to you pursuant to Section 158.1(1) of the *Consumer Protection Act* ("CPA") to provide you with written notice of the administrative penalty issued under that section.

Facts

The evidence before me in relation to this matter consists of the material contained in an Application Report prepared by the AMVIC Investigations department (the "Application Report") and attached as Schedule "A". As well as the information exchanged during the administrative review held at the AMVIC Edmonton office on August 14, 2018. I also considered the written representation provided to AMVIC on September 13, 2018 from the Supplier's legal counsel which is attached as Schedule "B".

An administrative review was held on August 14, 2018 at the AMVIC Edmonton office in attendance were Ms. Soni Nayak – Mr. Demeria's legal counsel, [REDACTED] – AMVIC Investigator, [REDACTED] – AMVIC Manager of Investigations North, and G. Gervais – Director of Fair Trading (as delegated) in attendance. Mr. Demeria did not attend the administrative review. Ms. Nayak confirmed Mr. Demeria wanted to proceed with the administrative review despite his absence.

Licencee status

Autolife Global Corp. (the "Supplier") holds an automotive business licence and carries on business as an automotive sales business and automotive repair business licence in the Province of Alberta.

History with AMVIC

- A. Autolife Global Corp. was subject to an administrative review on December 9, 2014, in which the Supplier entered into an agreement on December 16, 2014 to the following:

1. Consumer T.H. will return a 2007 Ford Expedition for a full refund of \$9,700.
2. Full disclosure on all out of province vehicles will be provided.

Additionally, it was noted that the Mechanical Fitness Assessment ("MFA") is to be provided to the consumer prior to any used vehicle purchase and is to be signed and dated by a certified technician as per Section 65 of the *Traffic Safety Act* ("TSA") and Section 15 of the Vehicle Inspection Regulations ("VIR").

- B. The Supplier attended another administrative review at the AMVIC Edmonton office on May 6, 2015, which was adjourned until July 6, 2015. As a result of the administrative review, the Supplier voluntarily entered into an Undertaking with the Director of Fair Trading (as delegated) by voluntarily signing the Undertaking on July 27, 2015. Autolife Global Corp. was found to be in contravention of Section 6(4)(a) of the *Fair Trading Act* (now *Consumer Protection Act*) and Section 15 of the VIR. The Director of Fair Trading (as delegated) accepted the agreed upon Undertaking and signed the Undertaking on August 21, 2015. The terms of the Undertaking were:

1. The Supplier will ensure the MFAs are properly completed and provided to the consumer prior to negotiation. It was further noted that if there are any changes to the MFA, they need to be approved and initialed by the technician who completed the assessment of the vehicle in question. If that technician is not available, a new MFA must be completed.
2. The Supplier acknowledged he understands all records must be fully and accurately completed and maintained for three years pursuant to the *Fair Trading Act* and Automotive Business Regulation ("ABR").
3. An AMVIC industry standards inspection will be completed within six months of signing the Undertaking.
4. The Supplier will obtain the proper AMVIC licence for service and repair as they are completing repairs.
5. Restitution will be provided to the consumers regarding the case files discussed at the administrative review.
6. The Supplier agreed to pay AMVIC the costs associated with investigating the matter.

- C. The Supplier was provided with notice that an AMVIC inspection would be conducted on February 5, 2016, as per the agreed upon Undertaking. The results of the inspection were reviewed with Mr. Demeria. In addition, a Findings Letter was prepared and emailed to the business on February 9, 2016.

- D. The Findings Letter prepared from the results of the inspection identified the following concerns:
1. Kijiji advertisements had odometer recordings showing as rounded numbers rather than the accurate odometer reading;
 2. Facebook and Kijiji advertisements did not include vehicle stock numbers of the used vehicles for sale;
 3. Issues with the MFAs on files including missing MFAs and incorrect or missing information on the MFAs provided;
 4. The Supplier was unable to provide the inspectors fully and accurately completed and maintained records;
 5. A discrepancy in the number of vehicles being reported by the Supplier for their AMVIC levy remittance and the number of vehicle jackets the Supplier was able to provide the inspectors;
 6. The Supplier is completing repair work without the proper AMVIC licence to do so.
- E. The Supplier had breached the terms and conditions of the Undertaking he voluntarily agreed to.
- F. On June 6, 2016, Autolife Global Corp. was assessed an Administrative Penalty of \$4,000. They were found to be in contravention of Sections 9, 11(2)(c), 11(2)(d) and 11(2)(m) of the ABR, Section 15(1) of the VIR and Sections 6(4)(h), 104(1), 132 and 163(d) of the *Fair Trading Act*. The amount of the Administrative Penalty took into consideration that the Supplier had previously entered into an Undertaking with similar compliance concerns and those conditions were not complied with. Additionally, a follow up AMVIC industry standards inspection was to be scheduled within three months of the date of the Administrative Penalty.
- G. Additionally, the Supplier had allowed their AMVIC business licence to expire on May 1, 2016 and failed to remit the January 1, 2016 – March 31, 2016 quarter levies by the due date.

Summary of Investigation (Case File 17-06-270)

On May 5, 2017, complainant ("MR") purchased a 2008 Subaru Tribeca (the "Subaru") from the Supplier for \$8,300. MR advised that when he bought the vehicle he relied on the MFA that showed the vehicle to be in compliance and that the recommended repairs in the technician's comments had been completed. MR stated the check engine light was illuminated on the dashboard and Mr. Demeria told him it was not an issue. The MFA provided to MR stated that the Diagnostic Trouble Codes for the vehicle were compliant. In the technician's comments portion of the MFA, it identified the brake and front end suspension required repair. Additional information was added to the MFA which indicated the repairs were completed on May 5, 2017.

Within 24 hours MR noted that the Subaru was making noises when the engine started and within 48 hours the Subaru suddenly stopped in the middle of the road while he was driving. MR purchased a new battery hoping it would solve the problem however, the problems persisted. After two more incidents

on the road and feeling unsafe to drive the vehicle, MR took the vehicle to another store ("RS") on June 8, 2017, approximately one month after the date of purchase.

At this time, MR became aware the Subaru had a repair history at RS and learned there were extensive repairs required on the vehicle. An estimate of over \$6,000 was provided to complete the necessary repairs. RS was aware of the previous issues as the previous owner had brought the Subaru in on July 12, 2016 and an estimate of \$4,380 to complete the required repairs was provided to the owner. In addition, the Supplier had brought the Subaru to RS on September 8, 2016 and was given an estimate of \$3,913 to repair the vehicle.

MR went to the Supplier on June 9, 2017, where he met with Mr. Demeria and told him about the required repairs. MR claimed that Mr. Demeria would do nothing for him and ordered him to leave his property. On June 22, 2017, MR filed a complaint with AMVIC.

On June 30, 2017, MR paid \$672 for an independent inspection and estimate of repairs from another automotive business ("ARE"). The invoice states many issues surrounding the poor workmanship completed on the Subaru and "it was obvious someone had already gone through the car". This statement is in regards to the main electrical wiring harness being replaced and all the wires soldered, which likely damaged the Electrical Control Module ("ECM"). During the investigation, the AMVIC investigator was advised by licensed repair technicians the ECM should only be repaired at a Subaru dealership. There were also concerns noted regarding the front end suspension damage.

The MFA which was provided by MR differs from the MFA that was provided by the Supplier. One copy provided has the statement "future repairs customer responsible" written in different ink in the technician's comments portion as well as other areas of the MFA differ. Further, the handwriting doesn't match the other handwriting on the MFA. The AMVIC investigator spoke with the technician who completed the MFA and the technician indicated this is not his handwriting and someone else added this comment. He also advised the AMVIC investigator he did not write "All fixed" on the MFA nor did he complete any repairs on the Subaru. Mr. Demeria's name and signature is listed as the salesperson on the MFA and therefore he would have given the MFA to MR.

AMVIC investigators met with Mr. Demeria on August 14, 2017 and informed him of the potential breaches of legislation. Mr. Demeria insisted on being given the opportunity to repair the vehicle.

From August 28, 2017 to January 22, 2018, Mr. Demeria had the Subaru in his possession to complete the required repairs. The AMVIC investigator communicated with Mr. Demeria by phone and email throughout this time to obtain updates on behalf of MR. On December 12, 2017, Mr. Demeria replied to the investigator in an email stating *"if I can't accomplish this by early new year I will offer a complete refund or get the guy another car"*.

AMVIC investigations produced documentation outlining the previous ownership and mechanical failings of the Subaru. The Supplier originally purchased the Subaru on August 5, 2016, from another automotive business for \$4,725, as confirmed with a bill of sale. The Supplier sold the Subaru to an

individual ("CB") for \$9,000 on September 7, 2016. CB advised the AMVIC investigator he purchased the Subaru from the Supplier but returned it immediately to get his money back, as there were driving issues with the vehicle. These issues CB described regarding the Subaru are almost identical to the concerns expressed by MR one year later. The Supplier brought this Subaru to RS on September 8, 2016 and became aware of the vehicles required extensive repairs and was given an estimate of \$3,913 to complete the repairs. In an email from Mr. Demeria, he acknowledged that CB had the Subaru for one calendar day and stated, "that's when we ordered the wiring harness". An automotive technician ("JJ") working for the Supplier at this time was instructed by Mr. Demeria to repair the Subaru by installing a used wiring harness. JJ told the AMVIC investigator Mr. Demeria instructed him to save costs and to cut the wiring harness and solder it to the bulkhead. JJ felt this work should only be completed at a Subaru dealership and at one point he told Mr. Demeria that he could no longer work on the Subaru due to ECM issues.

On January 30, 2018, Mr. Demeria contacted the AMVIC investigator to advise the Subaru was repaired and could be picked up at RS. The AMVIC investigator contacted RS to confirm the Subaru was at their location and ready to be picked up. RS informed the investigator the Subaru had been horribly repaired. The RS automotive technician, who had worked on this Subaru before, wrote a detailed diagnostic/inspection summary on the many repairs the Subaru still required. Further, the RS automotive technician verbally told the investigator that the vehicle was now only good for salvage.

On January 31, 2018 the AMVIC investigator attended RS took photos of the internal engine compartment of the Subaru showing obvious shortcoming of the workmanship. Photos show a bungee cord holding the battery down and number components unsecured and missing bolts in several areas.

On February 22, 2018, a statement from the service manager of RS was obtained indicating a representative of the Supplier refused to pay the service invoice for diagnosis and clearing the ECM and indicated the Supplier advised the invoice was MR's responsibility. The representative of the Supplier further indicated to RS the required repair of the O2 sensor, as indicated on the invoice of issues, was a pre-existing condition and therefore the responsibility of MR. The O2 sensor was likely the diagnostic condition causing the check engine light when MR first purchased the Subaru, yet the MFA indicates the diagnostic trouble codes were compliant.

On April 9, 2018, MR paid for another independent diagnosis of the Subaru from ARE at a cost of \$94.50. The Subaru had to be towed to the business from RS as it no longer started due to the Body Integrated Unit (immobilizer) not sending a message to the ECM to allow the vehicle to start. ARE noted several required repairs that were indicated during their previous diagnostic from June 2017. However, as the vehicle would not start they could not properly diagnose the vehicle. MR was not willing to spend any more money on the Subaru and sold it for salvage.

Legislation

Vehicle Inspection Regulation

Sale of used motor vehicle

Section 15(1)

Subject to subsection (2), a dealer in used motor vehicles shall, before entering into a contract to sell a motor vehicle, give to the buyer a used motor vehicle mechanical fitness assessment that contains the following:

- (a) a statement identifying the type of motor vehicle as a truck, motorcycle, bus, van, light truck, automobile or other type of motor vehicle;
- (b) a statement showing the make, model, year, vehicle identification number, odometer reading in kilometres or miles, licence plate number and province of registration of the vehicle;
- (c) the name and address of the dealer selling the vehicle and the name of the technician who issued the mechanical fitness assessment;
- (d) a statement that the mechanical fitness assessment expires 120 days after the date on which it was issued;
- (e) a statement certifying that at the time of sale the motor vehicle
 - (i) complies with the Vehicle Equipment Regulation (AR 122/2009), or
 - (ii) does not comply with the Vehicle Equipment Regulation (AR 122/2009) and containing a description of the items of equipment that are missing or do not comply with the Vehicle Equipment Regulation (AR 122/2009);
- (f) the signature of the technician who conducted the mechanical fitness assessment;
- (g) the date the mechanical fitness assessment was issued.

Consumer Protection Act

Act prevails

Section 2

- (1) Any waiver or release by a person of the person's rights, benefits or protections under this Act or the regulations is void.

Unfair practices

Section 6

- (3) It is an unfair practice for a supplier
 - (a) to enter into a consumer transaction if the supplier knows or ought to know that the consumer is unable to receive any reasonable benefit from the good or services;
- (4) Without limiting subsections (2) and (3), the following are

unfair practices if they are directed at one or more potential consumers:

- (a) a supplier's doing or saying anything that might reasonably deceive or mislead a consumer;

Administrative Penalties

Notice of administrative penalty

Section 158.1

- (1) If the Director is of the opinion that a person
 - (a) has contravened a provision of this Act or the regulations,
 - or
 - (b) has failed to comply with a term or condition of a licence issued under this Act or the regulations,

the Director may, by notice in writing given to the person, require the person to pay to the Crown an administrative penalty in the amount set out in the notice.

- (2) Where a contravention or a failure to comply continues for more than one day, the amount set out in the notice of administrative penalty under subsection (1) may include a daily amount for each day or part of a day on which the contravention or non-compliance occurs or continues.

- (3) The amount of an administrative penalty, including any daily amounts referred to in subsection (2), must not exceed \$100 000.

- (4) Subject to subsection (5), a notice of administrative penalty shall not be given more than 3 years after the day on which the contravention or non-compliance occurred.

- (5) Where the contravention or non-compliance occurred in the course of a consumer transaction or an attempt to enter into a consumer transaction, a notice of administrative penalty may be given within 3 years after the day on which the consumer first knew or ought to have known of the contravention or non-compliance but not more than 8 years after the day on which the contravention or non-compliance occurred.

Right to make representations

Section 158.2

Before imposing an administrative penalty in an amount of \$500 or more, the Director shall

- (a) advise the person, in writing, of the Director's intent to impose the administrative penalty and the reasons for it, and
- (b) provide the person with an opportunity to make representations to the Director.

Automotive Business Regulation

General codes of conduct

Section 12

Every business operator must comply with section 6 of the Act and in addition must

- (o) comply with any legislation that may apply to the selling, leasing, consigning, repairing, installing, recycling or dismantling of vehicles.

Analysis – Did the Supplier fail to comply with the provisions of the Vehicle Inspection Regulation, Automotive Business Regulation, and Consumer Protection Act?

The material which formed AMVIC's Investigation Application Report was the result of a complaint by a consumer who purchased a motor vehicle from the Supplier. The issue presented by the investigator that led to the administrative review of the Supplier was whether or not the Supplier breached sections of the VIR, ABR and CPA. I have relied upon the findings of the Investigations Applicant Report, the information exchanged during the administrative review and the written representation received in response to the Proposed Administrative Penalty.

MR purchased the vehicle from the Supplier on May 5, 2017 and was provided an MFA which indicated all components checked for the assessment were in compliance and all the recommended repairs had been fixed. In his complaint to AMVIC, MR indicated the check engine light was on when he purchased the vehicle. During the administrative review Ms. Nayak, on behalf of the Supplier, did not dispute the material facts as presented by AMVIC investigations nor did she dispute the fact that the check engine light was on when MR purchased the vehicle, but instead disputed that her client advised MR that the light would go away and put forward that her client actually provided MR with multiple verbal warnings that the wiring harness required repairs.

However, there is no evidence that Mr. Demeria provided the client with these verbal warnings. The bill of sale does indicate repairs, however they do not indicate who is responsible to complete them or any other context. Further, the MFA indicates "Fixed 05-05-17" and it is unclear if the repairs listed on the bill of sale relate to the repairs that are in conjunction with the note of "Fixed 05-05-17" on the MFA. However, it does not seem reasonable that an individual would pay over \$8,000 for a vehicle knowing the required repairs are estimated to cost almost \$4,000. Mr. Demeria was aware of the estimated cost of the required repairs and therefore had a responsibility to provide full disclosure including that information to any consumer purchasing the vehicle. The CPA is consumer protection legislation and in the absence of proof of disclosure of this information, based on the evidence before me, I find that Mr. Demeria did not provide complete disclosure regarding the extensive repair required to the wiring harness on the Subaru and in fact misled MR through the information contained on the MFA which specified everything was compliant and indicated were "Fixed 05-05-17". Mr.

Demeria has been advised by AMVIC on multiple occasions the importance of maintaining complete records. If proper disclosure had been provided, it is the responsibility of the Supplier to ensure that it is documented to protect their own interest in the event a situation such as this arises.

In the September 13, 2018 written representation, the Supplier's legal counsel takes the position that her client had at all times disclosed the condition of the vehicle to the consumer and states,

The Purchaser had complete knowledge of its condition and decided to purchase 2008 Subaru Tribeca on "As-is" basis. The Purchaser agreed that he would be responsible for the repairs and that Autolife Global was not responsible for any repairs. The Purchase Contract entered into between MR and Autolife Global clearly state that the repair costs were to be borne by MR. Indeed, our client agreed to sell the vehicle at the lower cost of \$7995.00 because of the repairs.

Ms. Nayak further indicated it was her client's position that MR had the opportunity to purchase warranty from the Supplier but declined. She contends that MR did not sign his rights away and was offered extended warranty which he declined. As a result of MR not purchasing warranty, it is the position of the Supplier that they were not responsible for future repairs. As per Section 2 of the CPA, a consumer cannot waiver or release their rights, benefits or protections under this Act or the regulations otherwise it is void. The consumer relied on the MFA provided by the Supplier which the Supplier knew was deficient. The September 8, 2016 estimate from RS and the fact that Supplier does not dispute the fact that the check engine light was on when the vehicle was purchased by MR supports that Mr. Demeria knew the MFA did not accurately reflect the actual compliance of the vehicle as required by Section 15(1)(e) of the VIR and knew MR would not receive reasonable benefit from the Subaru due to the extensive repairs it required.

Additionally, the MFA MR provided to AMVIC did not match the MFA the Supplier provided to AMVIC, which causes the writer concern. On MR's copy someone with different handwriting and using a pen with a different ink color made additions to the MFA and wrote in the technician's comments portion, "future repairs customer responsible". The AMVIC investigator spoke with the technician who completed this portion of the MFA and the technician indicated this is not his handwriting and someone else added these comments as well as made additions in other areas on the MFA.

Mr. Demeria's name and signature is listed as the salesperson on the MFA and would have been the one to give the MFA to MR. Mr. Demeria signed and agreed to an Undertaking on July 27, 2015, which was accepted and signed off that if there are any changes to an MFA, they need to be approved and initialed by the technician who completed the assessment of the vehicle in question. If that technician is not available, a new MFA must be completed. The Supplier has

failed to comply with Section 15 of the VIR and has therefore further breached Section 12(o) of the ABR and Section 6(4)(a) of the CPA.

Further, Mr. Demeria failed to comply with Section 163(d) of the CPA as he breached the agreed upon Undertaking. However, for the purpose of determining this Administrative Penalty, I will not be considering the breach of Section 163(d) of the CPA as it was not discussed during the administrative review. I will however be considering the continued non-compliance of Mr. Demeria as evidenced through AMVIC's previous enforcement actions.

MR paid \$8,300 for the Subaru that he used for approximately one month and put between 747-1527 miles, exact mileage is unknown due to record keeping of the Supplier. To try and identify the mechanical failings of this vehicle, MR paid for various diagnostics at third party automotive businesses. In addition, the Supplier was given the opportunity to fix the vehicle, MR waited approximately ten months while the Supplier attempted to fix the vehicle at his own repair shop however, the mechanical issues of the Subaru were never properly fixed. MR ended up selling the vehicle for salvage for \$600. In total, MR has paid in excess of \$8,400 not including registration and insurance costs of a vehicle he was unable to drive or receive a benefit from.

The AMVIC investigation identified the Supplier originally purchased the Subaru from WH for \$4,725 on May 8, 2016, as confirmed from a bill of sale. The Supplier sold the Subaru to CB for \$9,000 on September 7, 2016 but it was returned almost immediately as there were driving issues with the vehicle. The Supplier brought this Subaru to RS on September 8, 2016 and became aware of the extensive repairs the vehicle required and received an estimate of \$3,913 to complete the required repairs. The issues CB had with the Subaru are very similar to the same concerns echoed by MR one year later. In an email from Mr. Demeria, he acknowledged CB had this car for "one calendar day" and stated, "that's when we ordered the wiring harness".

Automotive technician, JJ, working for the Supplier at the time, was instructed by Mr. Demeria to repair the Subaru by installing a used wiring harness. JJ stated Mr. Demeria told him to save costs and to cut the wiring harness and solder it to the bulkhead. JJ felt that this work should be done only at a Subaru dealership and at one point he told Mr. Demeria that he could no longer work on the Subaru due to Electronic Control Module (ECM) issues. JJ told the AMVIC investigator that Mr. Demeria did not want to spend the high garage costs that a Subaru dealership would charge to repair the vehicle. This statement further demonstrates Mr. Demeria had knowledge of the issues of the vehicle and the Supplier therefore breached Section 6(3)(a) of the CPA.

Ms. Nayak indicated Mr. Demeria presented three options to MR, which were outlined in an email to the AMVIC investigator which included an offer to purchase the vehicle back from MR after deducting the mileage used. However, this email is dated April 11, 2018, which is after MR had disposed of the vehicle.

There exists an onus on the Supplier to do their due diligence and ensure they are complying with the legislation which regulates the automotive industry. As stated in the Supreme Court of British Columbia in *Windmill Auto Sales & Detailing Ltd. v. Registrar of Motor Dealers*, 2014 BCSC 903 addressed the issue of the onus and responsibility the Supplier has when operating within regulated industry. The court at paragraph 59 stated:

"In my view, it is incumbent upon a party that operates within a regulated industry to develop at least a basic understanding of the regulatory regime, including its obligations under the regime, as well as the obligations, and the authority, of the regulator."

AMVIC follows a progressive enforcement model when enforcing consumer protection laws. Administrative action may include a written warning, condition(s) added to the licence, charges under the legislation, Administrative Penalty, Director's Order, Undertaking, and suspension or cancellation as outlined in Section 127 of the CPA. When determining an appropriate enforcement measure, the Director of Fair Trading (as delegated) will consider several factors before making his decision to ensure the level of enforcement is appropriate to the contravention. In the case of an Administrative Penalty, the penalty must be sufficient in that the Supplier and other Suppliers do not view the amount of the penalty as a cost of doing business that is preferable to following the law. In Ms. Nayak's letter to the Director dated September 13, 2018, she states, "As you are aware, Autolife Global has been in the business of selling automobiles for several years and has never indulged in a practice of false representation or unfair trade practices." This statement is blatantly inaccurate as outlined above, the Supplier has been subject to several previous enforcements actions by AMVIC resulting from consumer complaints where the Supplier was found to have engaged in unfair practices.

This Administrative Penalty is taking into account the breaches of the legislation found during the investigation regarding Case File 17-06-270. However, the continued non-compliance as outlined in the history cannot be ignored.

Action

In accordance with Section 158.1(a) of the CPA and based on the above facts, I am requiring that Autolife Global Corp. pay an Administrative Penalty. This is based on my decision that Autolife Global Corp. contravened Section 15 of the VIR, Section 12(o) of the ABR and Sections 6(3)(a) and 6(4)(a) of the CPA.

Taking into consideration the representations made by AMVIC's investigations department and all the representations made by the Supplier's legal counsel the Administrative Penalty being imposed is **\$12,000**. This penalty amount takes into consideration the factors outlined in Section 2 of the *Administrative Penalties (Fair Trading Act) Regulation*, AR 135, 2013 and the principles referenced in *R. v Cotton Felts Ltd., (1982), 2 C.C.C (3d) 287 (Ont. C.A.)* as being applicable to fines levied under regulatory legislation related to public welfare including consumer protection legislation. In particular, the Director took into account:

1. The potential harm to the public of the types of conduct outlined;
2. The history of non-compliance by the Supplier;
3. The seriousness of the contraventions or failure to comply;
4. The impact of the complainant adversely affected by the contravention or failure to comply;
5. The cost associated with the repairs immediately required on the vehicle after purchase;
6. The maximum penalty under Section 158.1(3) of the CPA of \$100,000;
7. The deterrent effect of the penalty.

The amount of the Administrative Penalty is \$12,000

Pursuant to Section 3 of the *Administrative Penalties (Fair Trading Act) Regulation*, you are required to submit payment within **30** days of the date of service of this notice. Failure to pay the administrative penalty will result in a review of the licence status. Payment may be made payable to the "Government of Alberta" and sent to AMVIC at:

Suite 303, 9945 – 50th Street
Edmonton, AB T6A 0L4.

If payment has not been received in this time period, the Notice may be filed in the Court of Queen's Bench and enforced as a judgement of that Court pursuant to section 158.4 of the CPA and further disciplinary action will be considered.

If the Supplier chooses, he can utilize a payment plan of:

October 28, 2018 – \$1,000
November 28, 2018 – \$1,000
December 28, 2018 – \$1,000
January 28, 2019 – \$1,000
February 28, 2019 – \$1,000
March 28, 2019 – \$1,000
April 28, 2019 – \$1,000
May 28, 2019 – \$1,000
June 28, 2019 – \$1,000
July 28, 2019 – \$1,000
August 28, 2019 – \$1,000
September 28, 2019 – \$1,000

If the Supplier chooses to utilize this payment plan, he must provide AMVIC postdated cheques for all payments within **thirty (30)** days of the date of service of this notice and those cheques must be made payable to the **Government of Alberta**.

Section 179 of the CPA allows a person who has been served a notice of administrative penalty to appeal the penalty. To appeal the penalty, the person must serve the Minister of Service Alberta

Minister of Service Alberta
103 Legislature Building
10800 - 97 Avenue NW
Edmonton, AB
Canada T5K 2B6

with a notice of appeal within 30 days after receiving the notice of administrative penalty. The appeal notice must contain your name, your address for service, details of the decision being appealed and your reasons for appealing.

Pursuant to Section 180(4) of the CPA, service of a notice of appeal operates to stay the administrative penalty until the appeal board renders its decision on the appeal or the appeal is withdrawn.

Under Section 4 of the *Administrative Penalties (Fair Trading Act) Regulation*, the fee for appealing an administrative penalty is the lesser of \$1000 or half the amount of the penalty. As such, the fee for an appeal of this administrative penalty, should you choose to file one, would be \$1,000.

Yours truly,

"original signed by"

Gerald Gervais, Registrar
Director of Fair Trading (as Delegated)

GG

cc: Derek B-S, Senior Manager of Investigations, AMVIC