



ALBERTA MOTOR VEHICLE
INDUSTRY COUNCIL

Advertising Checklist

3 steps to compliance

for automotive advertisements

This guide is not a substitute for legal advice and is not designed as a substitute for advice from qualified independent legal counsel. This guide is not intended to be an exhaustive list of applicable legislation and does not review the unfair practices provision of the *Consumer Protection Act*.

Alberta's consumer protection laws are amongst a family of legislation which set out what an automotive business can and cannot state in an advertisement. The *Consumer Protection Act*, its regulations and other legislation/regulations are in place to protect consumers and promote a level playing field for businesses.

How to use this checklist

All items in part 1 are requirements for all automotive advertisements. The parts that follow only apply to varying types of ads, e.g., advertising a lease, for fixed credit, interest-free periods etc.

Step 1- Evaluate each item in part 1. Do not check off a line if your ad does not comply. If any item on the list does not apply to your ad, check off N/A (not applicable).

Step 2- Find the type of advertisement you are considering, e.g., advertising a lease, for fixed credit, interest-free periods etc. and check off each part of the checklist. If any item on the checklist does not apply to your ad, check off N/A.

Step 3- Once all of the boxes in part 1 and any other part that applies to your ad are checked as complete, the ad should be in compliance provided you have followed the process.

Example: ad for biweekly payment amount

1. Check off items on part 1 of the checklist called "All ads must address these 16 points." Remember, check off N/A on any items that do not apply to your specific ad as complete.
2. Go to part 3, "If offering fixed credit..." and verify your ad meets all the requirements.
3. Once checklist is complete, ad should be compliant.

Legend

How to read legislation notation: e.g. [s. 11(1)(a)ABR] is: Section 11, subsection 1, clause (a) of the Automotive Business Regulation.

CPA= *Consumer Protection Act*

ABR = Automotive Business Regulation

COC = Cost of Credit Disclosure Regulation

Part 1

All ads must address these 16 points (print, online, radio, TV, billboards).

Note: all of the following must be conspicuous.

Applies		Legislation
1.	In a conspicuous manner, name of the business operator, or trade name of the business operator, as set out on the AMVIC licence.	s. 11(1)(a)ABR
2.	Ad includes the AMVIC logo or the words "AMVIC-licensed business" or "AMVIC licensee) Applies to print, web and TV ads only.	s. 11(1)(b)ABR
3.	Does not use a font size smaller than 8 points - all parts of the ad must be legible regardless of font size.	s. 11(2)(e)ABR
4.	States whether the vehicle pictured in the advertisement is or is not the specific vehicle that is for sale.	s. 11(2)(a)ABR
5.	Includes the stock number of the specific vehicle that is advertised as being available for sale at the time the advertisement is placed.	s. 11(2)(m)ABR
6.	Does not offer a guaranteed trade-in allowance for any vehicle regardless of make, year or condition.	s. 11(2)(k)ABR
7.	Uses descriptions and makes promises only in accordance with actual conditions, situations and circumstances.	s. 11(2)(d)ABR
8.	Does not misrepresent, through statements or omissions, a vehicle's mechanical or structural condition.	s. 11(2)(c)ABR
9.	Identifies whether the vehicle has been used as a taxi cab, police car or emergency vehicle or that have been recertified when the previous use or condition of the vehicle is known to the business operator.	s. 11(2)(b)ABR
10.	Does not use the words, or words similar to, "wholesale", "take over payments" or "repossession" unless the claims represented by the words are objectively and demonstrably true.	s. 11(2)(h)ABR
11.	Does not imply that a warranty exists with respect to a vehicle or a repair or service unless such a warranty exists and is available at the price advertised.	s. 11(2)(i)ABR
12.	Does not make comparisons or claims of superiority unless the claims can be substantiated.	s. 11(2)(j)ABR
13.	Does not use the words, or words similar to "demonstrator vehicle" or "demo vehicle" unless the vehicle in question was purchased new by the business operator and used solely for the normal business of the business operator.	s. 11(2)(f)ABR
14.	Does not use the words, or words similar to "savings", "discount", "percentage off the purchase price", "free", "invoice price", "below invoice", "dealer's cost", "at cost" or a price that is a specified amount above or below invoice or cost unless the claims represented by the words can be substantiated.	s. 11(2)(g)ABR
15.	Does not use false, misleading or deceptive statements.	s. 11(2)(n)ABR
16.	Does not advertise a specific vehicle for sale if more than 14 days have elapsed since the vehicle was sold.	s. 11(2)(o)ABR

Part 2

Advertised price must be the all-in price (excluding GST and costs associated to financing)

Note: the following must be conspicuous.

	Applies	N/A	Legislation	
17.			Includes in the advertised price for any vehicle the total cost of the vehicle, including, but not limited to, all fees and charges not including GST or costs and charges associated with financing.	s. 11(2)(l)ABR

Part 3

Disclose the following in online and sales tag/sticker advertisements affixed to the vehicle if applicable to the vehicle being advertised (s. 31.1(2)(a) and (b)).

Note: all of the following must be conspicuous.

	Applies	N/A	Legislation	
18.			Whether the vehicle has been bought back by the manufacturer under the Canadian Motor Vehicle Arbitration Plan.	s. 31.1(1)(a) ABR
19.			Whether the vehicle has sustained damaged caused by fire.	s. 31.1(1)(b) ABR
20.			Whether the vehicle has sustained damaged caused by immersion in liquid to at least the level of the interior floorboards.	s. 31.1(1)(c) ABR
21.			Whether the vehicle has been used as a police car or an emergency vehicle.	s. 31.1(1)(d) ABR
22.			Whether the vehicle has been used as a taxi cab or a limousine.	s. 31.1(1)(e) ABR
23.			Whether the vehicle has been previously owned by a rental vehicle business or used as a rental vehicle on a daily or other short-term basis.	s. 31.1(1)(f) ABR
24.			Whether the vehicle has, at any time, been assigned a status in one of the following categories under the Vehicle Inspection Regulation (AR 211/2006) or an equivalent status under the laws of another jurisdiction: (i) salvage motor vehicle; (ii) non-repairable motor vehicle; (iii) unsafe motor vehicle.	s. 31.1(1)(g) ABR
25.			Whether the vehicle has been damaged in an incident or collision where the total cost of repairs fixing the damage exceeded \$3,000 and, if the repairs were carried out by the business operator, the total cost of the repairs.	s. 31.1(1)(h) ABR
26.			Whether the vehicle was registered in any jurisdiction other than Alberta immediately before it was acquired by the business operator and, if so, (i) the name of the jurisdiction in which the vehicle was previously registered, (ii) whether the vehicle was required to be inspected prior to registration in Alberta, and (iii) whether the vehicle passed or failed any required inspections.	s. 31.1(1)(i) ABR

Part 4 - Advertising fixed credit

If offering fixed credit and advertising the amount of any payment OR the interest rate, the ad must also include the following.

Note: all of the following must be conspicuous.

	Applies	N/A	Legislation
27.			The interest rate (APR). s. 6(2)(a) COC
28.			The term. s. 6(2)(b) COC
29.			The cash price (if specifically identifying a vehicle or other product or if any non-interest finance charge would be payable). s. 6(3)(a) COC
30.			The total cash price and the total cost of credit if any non-interest finance charge would be payable (Advertisements on radio, TV or billboard, or other media with similar space/time limitations, are not required to disclose the total cost of credit but must still disclose the cash price). s. 6(3)(b)(ii) COC
31.			Where any of the information required to be disclosed in Section 3, numbers 15-18 would not be the same for all credit agreements, the ad must include information for a representative transaction and must be disclosed as a representative transaction. s. 6(4) COC
32.			The interest rate (APR) must be as prominent, in relation to looking at it, listening to it, or both, as the payment amount and the offer of credit. s. 4(a) COC

Part 5 - Advertising interest-free periods

Note: all of the following must be conspicuous.

	Applies	N/A	Legislation
33.			Must state the transaction is unconditionally interest-free during the period OR interest accrues during the period but will be forgiven under certain conditions. s. 7(1)(a) & (b) COC
34.			If interest accrues during the period but will be forgiven under certain conditions, the advertisement must also disclose the conditions AND the APR for the period, assuming the conditions for forgiveness of the interest rate are not met. s. 7(2)(a) & (b) COC
35.			The interest rate (APR) must be as prominent, in relation to looking at it, listening to it, or both, as the offer of credit and the amount of any payments. s. 4(a) COC

Part 6 - Advertising a lease

For print or online ads that give any specific information about the cost of a lease, complete numbers 17, 36-44 and check off 45-50 as N/A. **Note:** all of the following must be conspicuous.

	Applies	N/A	Legislation
36.			That the transaction is a lease. s. 18(1)(a) COC
37.			The term of the lease. s. 18(1)(b) COC
38.			Any payments that would be required at or before the beginning of the term. s. 18(1)(c) COC
39.			The amount, timing and number of the periodic payments. s. 18(1)(d) COC
40.			The nature and amount of any other payments that the lessee will be required to make in the ordinary course of events. s. 18(1)(e) COC
41.			The interest rate (APR). s. 18(1)(f) COC
42.			For a motor vehicle lease, charges for exceeding the kilometre allowance set out in the lease, if the kilometre allowance is less than 20,000 kilometres per year. s. 18(1)(g) COC
43.			Where any of the information required to be disclosed on the above items, would not be the same for all credit agreements to which the advertisement relates, the information must be for a representative transaction and must be disclosed as such. s. 18(3) COC
44.			The interest rate (APR) must be as prominent, in relation to looking at it, listening to it, or both, as the offer of credit and the amount of any payment. s. 4(a) COC

For TV, radio or billboard ads complete numbers 45-50 and check off numbers 36-44 as N/A.

Note: all of the following must be conspicuous.

	Applies	N/A	Legislation
45.			That the transaction is a lease. s. 18(1)(a) and 18(2) COC
46.			Any payments that would be required at or before the beginning of the term. s. 18(1)(c) and 18(2) COC
47.			The amount, timing and number of the periodic payments. s. 18(1)(d) and 18(2) COC
48.			The term of the lease and the interest rate (APR) OR a telephone number at which a person can obtain the information on the term of the lease and the interest rate (APR) without incurring any charge for the call, OR a reference to a publication containing the information about the term of the lease and interest rate (APR), having general circulation in the area where the advertisement was broadcast or published. s. 18(2)(a)(b)(c) COC
49.			Where any of the information required to be disclosed on the above items, would not be the same for all credit agreements to which the advertisement relates, the information must be for a representative transaction and must be disclosed as such. s. 18(3) COC
50.			The interest rate (APR) must be as prominent, in relation to looking at it, listening to it, or both, as the offer of credit and the amount of any payment. Any other information required to be disclosed must be conspicuous. s. 4(a) and 4(b) COC